

The Effects of Compensation, Career Development, and Transformational Leadership on Job Performance, with Job Satisfaction As An Intervening Variable, in The F&B Industry

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Keywords:	Abstract
Compensation; Career Development; Transformational Leadership; Job Satisfaction; Job performance	Employee job performance is a critical factor in determining organizational sustainability, particularly in the food and beverage industry, where employees face high work demands, operational pressures, and dynamic business environments. Non-operational employees play an important role in supporting organizational effectiveness through administrative management, financial control, human resource management, and operational coordination. However, PT XYZ continues to face challenges related to employee performance achievement, work productivity, target completion, and cross-functional coordination. Therefore, this study aims to examine the effects of compensation, career development, and transformational leadership on job performance, with job satisfaction as an intervening variable among non-operational employees in the food and beverage industry. This study employed a quantitative approach using a survey method. The research sample consisted of 220 non-operational employees of PT XYZ selected through proportional sampling. Data were collected using questionnaires with a five-point Likert scale and analyzed using Structural Equation Modeling (SEM) with the Partial Least Squares Structural Equation Modeling (PLS-SEM) approach. The results indicate that compensation, career development, and transformational leadership have positive and significant effects on job satisfaction and job performance. Furthermore, job satisfaction has a positive and significant effect on job performance and successfully mediates the relationships between compensation, career development, and transformational leadership and employee performance. These findings highlight that effective compensation systems, structured career development opportunities, and transformational leadership practices are essential strategies for improving employee satisfaction and performance. This research contributes to the human resource management literature by demonstrating the mediating role of job satisfaction in explaining how organizational factors enhance employee performance in the food and beverage industry.

INTRODUCTION

Research published in the International Journal of Hospitality Management (Saito et al., 2025) shows that jobs in the food and beverage sector involve high levels of work pressure due to intense service demands, heavy workloads, and long working hours. These conditions make employees vulnerable to physical and psychological fatigue, which can ultimately reduce job performance (Cunningham et al., 2022; Jiandong et al., 2022; Pu et al., 2024; Sun

et al., 2022; Zhang et al., 2023). In this context, job satisfaction plays an important role as an intervening variable because a high level of job satisfaction can help employees manage work pressure more positively and maintain optimal performance. Therefore, companies in the food and beverage sector need to pay attention to factors that support job satisfaction, such as fair compensation, organizational support, and a conducive work environment, to maintain and improve employee job performance. In response to these challenges, PT XYZ strives to adapt by introducing three restaurant concepts that represent different tastes and culinary cultures. This strategy aims to address changing consumer preferences while meeting market demands for innovative and high-quality menu variations. Through this multi-concept culinary approach, PT XYZ not only expands its market segments but also strengthens its position as a culinary provider capable of delivering a complete and comprehensive dining experience for customers (Cunningham et al., 2022; Jiandong et al., 2022; Pu et al., 2024; Sun et al., 2022; Zhang et al., 2023).

According to Yuliastari and Darma (2025), non-operational employees in the food and beverage industry play an important role in supporting business sustainability through administrative management, human resource management, financial management, procurement, and operational control. The effectiveness of these functions influences coordination quality, work productivity, and the achievement of overall organizational performance (Adu et al., 2024; Chebichii et al., 2023; Dimitrantzou et al., 2024; Liestyana et al., 2024). In the food and beverage industry, a company's operational success is not only determined by service quality within restaurant units but also influenced by the effectiveness of organizational support functions. PT XYZ's non-operational employees have a strategic role as key drivers of business control functions through administrative activities, human resource management, finance, internal auditing, procurement, business development, logistics, and operational supervision. The effectiveness of these functions determines business process continuity, decision-making quality, cost control, coordination effectiveness across units, and the achievement of organizational targets. Therefore, the job performance of non-operational employees represents an important aspect that influences PT XYZ's operational success and business sustainability. In the food and beverage industry, non-operational employees continue to experience high work pressure despite not being directly involved in customer service activities (HospitalityNet, 2025).

In the operational context of PT XYZ, non-operational employees not only perform administrative functions according to their formal responsibilities but also have a strategic role in supporting operational sustainability and achieving business targets (Gabriella & Legowo, 2026; Lubis et al., 2026; Saba, 2024). Employees in the Human Resources, Finance, Purchasing, Administration, and Management departments contribute to ensuring smooth business processes through human resource management, operational cost control, resource planning, coordination among units, and supervision of company activities. Along with business development and the management of multiple restaurant concepts owned by PT XYZ, non-operational employees are expected not only to perform their duties professionally according to their job descriptions but also to demonstrate adaptability, initiative, cross-functional collaboration, and greater contribution to improving operational effectiveness. These demands are increasingly important because PT XYZ's operational success is determined not only by restaurant service activities but also by the effectiveness of

organizational support functions in maintaining productivity, efficiency, and achievement of company targets.

In the food and beverage industry, non-operational employees experience high work pressure that affects psychological conditions, job satisfaction, and organizational commitment. Therefore, companies need to effectively manage compensation, career development, and leadership practices (Yuliastari & Darma, 2025). This study uses the Integrative Model of Organizational Behavior developed by Jason A. Colquitt as the grand theory. The model explains that individual outcomes, particularly job performance and organizational commitment, are influenced by individual mechanisms such as job satisfaction, stress, motivation, trust, justice, and ethics, as well as learning and decision-making processes. Furthermore, individual mechanisms are influenced by group mechanisms, including leadership and team characteristics, and organizational mechanisms, including organizational structure and culture. Thus, this model explains that employee performance results from interactions among individual, group, and organizational factors rather than being directly influenced by a single factor (Colquitt et al., 2023). In the context of this study, career development and transformational leadership are positioned as organizational factors influencing the job satisfaction of PT XYZ's non-operational employees. Furthermore, job satisfaction functions as an individual mechanism that explains improvements in job performance. This is consistent with the Colquitt model, which positions job satisfaction as an important factor in shaping employee behavior and work outcomes.

Career development affects job performance (Febrianti et al., 2020). Job satisfaction plays a role in explaining the relationship between career development and employee performance (Wau & Purwanto, 2021). Meanwhile, transformational leadership can improve job performance through job satisfaction (Ma et al., 2025; Eshete et al., 2025; Kaya & Atsan, 2025). Most previous studies have examined these variables separately and have been conducted in different organizational contexts. Research that simultaneously examines the effects of compensation, career development, and transformational leadership on job performance through job satisfaction among non-operational employees in the food and beverage industry remains limited.

Based on the results of initial interviews conducted with eight division managers of PT XYZ, including managers from Business & Store Development, Business Process & Internal Audit, Finance, Human Capital & General Affairs, Marketing, Supply Chain Management, Warehouse, and Central Kitchen, it was found that the job performance of the non-operational team had not yet reached an optimal level. The majority of managers stated that their teams continued to experience challenges related to work completion timeliness, achievement of work targets, cross-functional coordination, productivity, reporting quality, and task completion effectiveness. In the Business & Store Development division, the manager reported that the team experienced delays in completing business development administration and coordinating expansion projects, which affected store development targets. Meanwhile, in the Business Process & Internal Audit division, follow-up actions on audit findings and the implementation of process improvements had not been consistently completed according to established timelines. Similar conditions were found in the Finance division, where reporting accuracy and reconciliation processes continued to fluctuate, particularly during periods of high workload. In the Human Capital & General Affairs

(HCGA) division, the manager stated that several human resource development and personnel administration programs had not fully achieved their established targets. Furthermore, the Marketing division continued to face challenges in completing marketing program evaluations and reporting promotional activities efficiently. In the Supply Chain Management (SCM) division, delays in procurement coordination and supplier monitoring also affected operational continuity. In addition, the Warehouse and Central Kitchen divisions experienced challenges related to administrative accuracy, operational reporting, and work planning coordination. These findings indicate that job performance issues did not occur only in one specific unit but were present across several non-operational divisions of PT XYZ.

This condition indicates that employee performance had not yet reached an optimal level, particularly in terms of productivity, work quality, punctuality, and target achievement. This phenomenon was suspected to be associated with several factors influencing employee performance, one of which was career development. Based on the pre-research findings, some employees perceived that career development opportunities, promotion pathways, and competency development programs had not been clearly and systematically structured. This condition potentially affected employee motivation, loyalty, and orientation toward achieving work targets (Amin et al., 2024). Effective career development can improve employee competencies and encourage better job performance (Aboramadan et al., 2024). In addition, this phenomenon was also suspected to be related to transformational leadership, which has been demonstrated to contribute to increased work motivation and employee performance (Excelsa et al., 2024).

The pre-study results showed that some employees perceived leadership support in providing motivation, inspiration, individual attention, and guidance for self-development had not been fully optimized. In fact, transformational leadership plays an important role in strengthening employee engagement, improving work morale, and encouraging higher performance achievement. Conversely, these conditions may affect employee job satisfaction. When career development opportunities are limited and leadership support is perceived as inadequate, employee job satisfaction may decrease, which subsequently affects productivity and job performance. Therefore, job satisfaction is considered an intervening variable that explains the relationship between career development and transformational leadership and the job performance of PT XYZ's non-operational employees.

Based on previous studies, compensation, career development, and transformational leadership have strategic roles in improving job satisfaction and employee job performance. However, these empirical findings have not been fully reflected in human resource management practices across all organizations. This condition was also observed at PT XYZ, where annual employee performance assessments over the past three years showed no significant improvement and tended to remain stagnant. This finding indicates the existence of employee performance problems despite the implementation of various human resource management policies. Therefore, a more in-depth empirical study is needed to identify factors influencing employee job performance at PT XYZ, particularly by examining the role of career development and transformational leadership with job satisfaction as an intervening variable.

Based on the initial study, several research gaps were identified as the basis for this

research. Empirically, although previous studies have demonstrated that compensation, career development, and transformational leadership positively influence job performance directly and through job satisfaction, employee performance at PT XYZ remains suboptimal despite adequate workforce availability. This condition raises questions regarding the effectiveness of job satisfaction as an intervening variable in explaining the relationship between organizational factors and employee performance. Practically, human resource management practices at PT XYZ have not been fully effective, as indicated by employee dissatisfaction with compensation benefits and suboptimal achievement of work targets. Therefore, this research is relevant in providing an empirical and theoretical foundation for developing more effective human resource management strategies to improve job satisfaction and job performance.

This study offers novelty by jointly examining the effects of compensation, career development, and transformational leadership on job performance through job satisfaction as an intervening variable. Unlike previous studies that examined these factors separately, this study investigates how human resource policies and leadership styles simultaneously contribute to improving job satisfaction and enhancing employee performance. The research was conducted at PT XYZ, which has experienced stagnation in employee KPI achievement over the past three years. Therefore, the findings are expected to provide a practical basis for companies in designing more effective and sustainable performance improvement strategies.

This research offers novelty through several aspects. First, this study focuses on non-operational employees in the food and beverage industry, a group that remains relatively limited in previous research despite its important role in supporting organizational sustainability and operational continuity. Second, this study simultaneously examines the effects of compensation, career development, and transformational leadership on job performance through job satisfaction as an intervening variable. Third, this study was conducted at PT XYZ, where employee KPI achievement has shown stagnation over the past three years, thereby providing a distinct empirical context compared with previous studies. Fourth, this study applies Colquitt's Integrative Model of Organizational Behavior as the grand theory to explain the relationships among organizational factors, individual mechanisms, and performance outcomes.

Based on this background, this study is titled "The Effects of Compensation, Career Development, and Transformational Leadership on Job Performance with Job Satisfaction as an Intervening Variable." This research was formulated to answer ten research questions regarding whether compensation, career development, and transformational leadership affect job satisfaction and employee performance, either directly or indirectly through job satisfaction mediation. More specifically, this study aims to analyze the effects of compensation, career development, and transformational leadership on job satisfaction and employee performance, as well as examine the role of job satisfaction in mediating the effects of these three variables on employee performance. This research is expected to provide both theoretical and practical contributions. Theoretically, this study examines Colquitt's organizational behavior model by simultaneously analyzing the effects of compensation, career development, and transformational leadership on performance through job satisfaction, while providing empirical evidence regarding the mediating mechanism of job satisfaction in the relationship between organizational factors and employee performance in the food and

beverage industry. Practically, this study provides recommendations for PT XYZ's management in designing fair compensation systems, structured career development programs, and transformational leadership development initiatives to improve employee satisfaction and performance. In addition, this study serves as a reference for similar companies in managing non-operational human resources and provides a foundation for future research in developing more comprehensive employee performance models by considering additional variables, such as organizational culture and employee engagement.

METHOD

Types of Research

This study employed a quantitative approach to examine the effects of compensation, career development, and transformational leadership on job performance, with job satisfaction as an intervening variable (Creswell, 2018). The quantitative approach was selected to enable objective measurement and statistical analysis of the relationships among the research variables.

Research Time and Place

This research was carried out at a predetermined time and location according to the needs and objectives of the research. The determination of the time and place of the research is carried out to ensure that the data collection process can run effectively and in accordance with the research object that has been set.

1. Research Time: The research is planned to last for approximately two months, namely in March - April 2026. This research was carried out in a predetermined period according to the needs and objectives of the research. The timing of the research is carried out to support the smooth process of data collection and processing so that it runs optimally.
2. Place of Research: This research was conducted at the head office of one of the companies engaged in the food and beverage industry. Data collection was carried out through the distribution of questionnaires to research respondents. The use of questionnaires was chosen because it is able to collect data in a systematic, structured, and efficient manner in quantitative research, so that the data obtained can be analyzed using statistical methods. The collected data is then used to test the research hypothesis that has been formulated beforehand.

Population and Sample

The determination of the number of samples in this study uses *the proportional sampling* technique, which is proportional sampling based on the number of population in each division. The calculation of the number of samples in each division is carried out using the formula proposed by Sugiyono (2019), namely:

$$n_i = \frac{N_i}{N} \times n$$

Description:

N_i : Number of samples in each strata/division N_i: Number of population in each strata/division

N : Total overall population

N : Total specified sample

The distribution of samples in each division is presented in the following table.

Table 1. Population and Research Sample

Divisions	Populasi	Propose yourself	Sample
Business & Store Development	54	11,64%	26
Business Process & Internal Audit	20	4,31%	10
Finance	58	12,50%	27
Human Capital & General Affair	47	10,13%	22
Marketing	27	5,82%	13
Supply Chain Management	13	2,80%	7
Warehouse & Central Kitchen	245	52,80%	115
Total	464	100%	220

Source: Primary data, 2026

The use of this *proportional sampling technique* aims to ensure that each division has representation in accordance with the proportion of its employees, so that the results of the study can describe the population conditions more accurately and representatively.

Research Design

Variable operationalization is the process of changing abstract concepts into variables that can be empirically measured in research (Research Rebels, 2024). This stage is necessary so that each research concept can be clearly defined, measured using certain indicators, and analyzed systematically. Process Operationalization is carried out through the identification of research variables and the determination of measurement methods that are in accordance with the research objectives.

This study uses several types of variables, namely independent variables, dependent variables, and intervening variables. The independent variables in this study consist of *compensation*, *career development*, and *transformational leadership*. The dependent variable used is *job performance*, while *job satisfaction* acts as an intervening variable that bridges the relationship between independent variables and dependent variables. Intervening variables are used to find out whether job satisfaction is able to explain the mechanism of influence of independent variables on employee performance.

Each variable is measured using indicators developed based on theory and previous research so that the data obtained can represent the actual condition of the respondents. The use of variable operationalization in this study aims to ensure that the measurement process is carried out objectively and structurally, so that the results of the analysis are able to accurately describe the relationships between variables and can be scientifically accounted for.

Data Collection Techniques

The data collection technique in this study refers to the concept of research methods described (Creswell, 2018), namely the process of obtaining data systematically to answer research problems. Data collection was carried out using a questionnaire distributed to all

head office employees as research respondents. The use of questionnaires was chosen because it is able to collect data in a structured and efficient manner in quantitative research, so that the information obtained can be processed statistically. Through the distribution of the questionnaire, the collected data is used to test predetermined research hypotheses.

In this study, variable measurements were used on the Likert scale. The data that has been collected is then processed and presented in the form of a table to facilitate the analysis process. According to (Creswell, 2018), the Likert scale is a measurement tool used to assess the attitudes, opinions, and perceptions of individuals or groups towards a certain phenomenon. The data obtained through the distribution of questionnaires is then used as a basis for the preparation and processing of alternative answers for respondents. In this study, the questionnaire was prepared with five answer choices, namely strongly agree (score 5), agree (score 4), neutral (3), disagree (score 2), and strongly disagree (score 1).

Data Analysis Techniques

In this quantitative research, the researcher uses research instruments to collect data and analyze the information obtained from each respondent. Data analysis is the process of grouping and processing data based on the type of response and research variables. Analysis activities are carried out to transform raw data into more meaningful information so that it is easy to understand and can be used in answering research problems. According to Bogdan (in Zakaria et al., 2020), data analysis techniques are the process of systematically tracing and compiling data obtained from various sources, then organizing them into certain categories, decomposing them into smaller parts, synthesizing, compiling patterns, determining relevant information to be studied, and drawing conclusions that can be communicated to other parties. In this study, the Structural Equation Modeling (SEM) method is used because SEM is able to test many relationships and variables.

Descriptive Statistical Analysis

According to Arikunto (2019), descriptive research is research that is intended to investigate a condition, situation, or other event, then the results will be presented in the form of a research report.

Validity and Reliability Tests

Validity Test

In this study, the validity test aims to measure whether or not an item of a statement is valid. Validity is a measure that indicates the level of validity or validity of an instrument. An instrument is said to be valid if it is able to measure what is desired. A valid or valid instrument has high validity. On the other hand, a less valid instrument means that it has low validity. According to Sugiyono (2018), the validity test is the equation of information obtained from a researcher, with the information produced directly which occurs to the research subject. The validity test of the instrument is used to determine the extent of the measuring tool (questionnaire) in ensuring the level of accuracy of a measuring instrument, The basis for making decisions on the validity test is:

1. If $r_{count} > r_{table}$ the table means that H_0 is accepted and the data is declared valid
2. If $r_{count} < r_{table}$ the table means that H_0 is rejected and the data is declared invalid

Reliability Test

According to Sugiyono (2018), Reliability Test is a Reliability Test intended to ensure that the instrument has consistency as a measuring tool so that its reliability level can produce

consistent results. The reliability test is used to determine whether the research questionnaire used to collect research variable data is reliable or not. Research is considered reliable when it provides consistent results for the same measurement. It is not reliable if the repeated measurements give different results. Description:

1. If the $\alpha > 0.90$ then the reliability is perfect.
2. If the α is between $0.70 - 0.90$ then the reliability is high.
3. If the α is $0.50 - 0.70$ then the reliability is moderate.
4. If the $\alpha < 0.50$ then the reliability is low.

A research instrument is said to be reliable if Cronbach's Alpha value > 0.60 so that the instrument can be used as a data collection tool.

RESULTS AND DISCUSSION

Descriptive Statistics

In analyzing the tendency of respondents' answers, this study applies *3 Box Methods* to group the average score (mean) into three assessment categories. The criteria for grouping *mean* values based on *the 3 Box Method* are presented in the following table.

Table 2. Box Method Criteria (Skala Likert 1–3)

Interval	Category
1,00–2,33	Low
2,34–3,67	Medium
3,68–5,00	Height

Source: (Sugiyono, 2023)

The average score of respondents' answers is classified into three categories, namely low, medium, and high. The grouping aims to facilitate the interpretation of the level of respondents' perception of each research variable, namely compensation, career development, transformational leadership, job satisfaction, and job performance. The average score in the range of $1.00-2.33$ is included in the low category, the range of $2.34-3.67$ is included in the medium category, while the range of $3.68-5.00$ is included in the high category. These criteria are used as a basis for analyzing the tendency of respondents' answers so that the level of respondents' assessment of each indicator or variable being studied can be known.

The results of the analysis of the frequency of respondents' answers to the job performance variable showed that in general, the assessment of employee performance was in the high category. Based on the *3 Box Method* criteria, all indicators are in the high category with average values ranging from 3.85 to 3.96 . These results show that employee performance has been assessed well by respondents, thus reflecting employees' ability to carry out tasks, work together, and adapt to job demands optimally.

Overall, the indicator with the highest average value is found at TL12 of 3.92 which is in the high category. These results show that respondents feel the most powerful application of transformational leadership on aspects of the leader's ability to encourage employees to consider various alternatives in decision-making. Meanwhile, the indicator with the lowest average value is found at TL16 of 3.79 , which is also in the high category. Despite having the

lowest average score compared to other indicators, the results still show that respondents give a good assessment of the leader's attention in listening to employee problems. Therefore, in general, respondents' perception of transformational leadership is in the high category, which shows that leaders have been able to implement transformational leadership behaviors effectively through example, motivation, intellectual stimulation, and individual attention to employees.

Validity Test

Convergent validity aims to assess the extent to which each indicator is able to reflect the constructed being measured. An indicator is declared to have good reliability if the loading factor value is greater than 0.70 (Hair et al., 2022). The results of this test show the extent to which each indicator contributes to representing and shaping latent variables in the research model (Hair et al., 2022).

It is known that all indicators used in the study have met the criteria of convergent validity. Thus, it can be concluded that all indicators used in the final model of this study have met the criteria of convergent validity and are declared valid, so they are suitable for further analysis on the *structural model*.

The results of the discriminant validity test showed that the entire value of the Heterotrait-Monotrait Ratio (HTMT) was below the recommended limit, which was 0.90. The highest HTMT value was found in the relationship between Job Satisfaction and Job Performance at 0.806, while the lowest HTMT value was found in the relationship between Career Development and Compensation at 0.508. In addition, the Square Root of Average Variance Extracted (AVE) value in each construct, namely Career Development of 0.782, Job Satisfaction of 0.778, Job Performance of 0.789, Compensation of 0.799, and Transformational Leadership of 0.810, are all greater than the correlation values between constructs. These results show that each construct has a good level of discrimination so that it is able to distinguish itself from other constructs. Thus, all constructs in this study have met the criteria for discriminant validity, so that the measurement model is declared valid and feasible to be used at the next stage of analysis.

Reliability Test

The construct reliability test is a test stage that aims to assess the extent to which the indicators in a construct are able to produce consistent and stable measurements in representing latent variables. Reliability testing is performed using *Cronbach's Alpha* test. The reliability assessment criteria are as follows: if Cronbach's Alpha value is greater than 0.50, then the instrument's reliability is declared *sufficient*. Furthermore, if Cronbach's Alpha values exceed 0.70, it indicates that all statement items are reliable and that the research instrument has strong internal consistency (Hair et al., 2022).

All constructs in this study have Cronbach's Alpha and Composite Reliability (ρ_a) values above 0.70, so that all variables are declared reliable. The Career Development variable has a Cronbach's Alpha value of 0.957 and Composite Reliability (ρ_a) of 0.958. The Job Satisfaction variable has a Cronbach's Alpha value of 0.956 and a Composite Reliability (ρ_a) of 0.957. Furthermore, the Job Performance variable has a Cronbach's Alpha value of 0.945 and a Composite Reliability (ρ_a) of 0.945. The Compensation variable has a Cronbach's Alpha value of 0.962 and a Composite Reliability (ρ_a) of 0.963.

The Transformational Leadership variable has a Cronbach's Alpha value of 0.965 and a Composite Reliability (rho_a) of 0.966.

These results show that all indicators in each construct have a very good level of internal consistency in measuring the research variables. In addition, all variables also have a Composite Reliability (rho_c) value above 0.70, which ranges from 0.952–0.968, and an Average Variance Extracted (AVE) value above 0.50, which ranges from 0.605–0.656. Thus, all constructs have met the criteria of reliability and convergent validity, so that all variables are declared reliable and suitable for use at the next stage of analysis, namely structural model testing (inner model).

Inner Model

Internal model testing is carried out to assess and evaluate the relationships between latent constructs or variables that have been formulated in the research hypothesis (Ghozali, 2020). Internal model testing was carried out to assess the quality of the structural model by looking at the R-square value and the level of significance of the relationship between variables, as follows:

R-Square Determination Coefficient

The coefficient of determination (R Square) is a statistical measure that describes the extent to which variations in dependent variables can be explained by all independent variables contained in the research model (Hair et al., 2022). The greater the value of the R Square, the higher the model's ability to explain the relationships between variables, which shows that the model has a good level of accuracy in predicting the phenomenon being studied (Hair et al., 2022).

It is known that the Job Satisfaction variable has an R-square value of 0.557 and an R-square adjusted value of 0.551. The results showed that 55.7% of the variation in Job Satisfaction could be explained by the variables Compensation, Career Development, and Transformational Leadership, while the remaining 44.3% were explained by other factors outside the research model that were not analyzed in this study. The R-square value indicates that the model has a moderate explanatory ability, so the independent variables used are able to explain most of the variation in Job Satisfaction.

The Job Performance variable has an R-square value of 0.666 and an R-square adjusted value of 0.660. The results showed that 66.6% of the variation in Job Performance could be explained by the variables of Compensation, Career Development, Transformational Leadership, and Job Satisfaction, while the remaining 33.4% were influenced by other factors outside the research model. The R-square value shows that the model has a moderate explanatory ability, so that the exogenous variables and the mediation variables in this study are able to explain most of the variations in Job Performance.

Thus, it can be concluded that the structural model in this study has a fairly good explanatory ability in explaining the variation in the variables of Job Satisfaction and Job Performance. Based on the criteria of Hair et al. (2022), the R-square values of 0.557 and 0.666 are included in the category of moderate (moderate explanatory power), so the structural model is considered feasible to continue at the hypothesis testing stage.

Q² (Predictive Relevance)

It is known that all endogenous variables have a Q² Predict value greater than zero. The Job Satisfaction variable obtained a Q² Predict value of 0.384, while the Job Performance variable obtained a Q² Predict value of 0.386.

A Q² Predict value greater than zero indicates that the research model has good predictive relevance. This indicates that the exogenous constructs in the model, namely Compensation, Career Development, and Transformational Leadership, are able to adequately predict endogenous constructs, namely Job Satisfaction and Job Performance. Thus, the research model has good predictive relevance and is suitable for the analysis of relationships between variables at the next stage of hypothesis testing.

F² (Effect Size)

All relationships between variables have an effect size value (f^2) which indicates the contribution of each variable to the endogenous variable it affects. Career Development, Compensation, and Transformational Leadership contribute to Job Satisfaction, with f^2 values of 0.108, 0.144, and 0.115, respectively. The three relationships are included in the low category, with the largest value being the effect of Compensation on Job Satisfaction of 0.144, while the lowest value is found in the effect of Career Development on Job Satisfaction of 0.108.

Furthermore, Career Development, Compensation, and Transformational Leadership also contributed to Job Performance, with f^2 values of 0.056, 0.034, and 0.041, respectively. All three relationships fall into the low category. Meanwhile, Job Satisfaction contributes to Job Performance with an f^2 value of 0.281, which is included in the medium category. This shows that Job Satisfaction is the variable that contributes the most to Job Performance compared to other exogenous variables in the research model.

Thus, most of the relationships in the model have an effect size in the low category, while the relationship between Job Satisfaction and Job Performance has an effect size in the medium category. These results show that Job Satisfaction makes a relatively greater contribution in explaining the variation in Job Performance than other independent variables.

Partial Test (t)

The results of the partial test (t-test) showed that all relationships between variables in the research model had a positive and significant direct effect.

1. The effect of compensation on job satisfaction has a path coefficient value (original sample) of 0.305 with a t-statistics value of 6.117 and a p-value of 0.000. The t-statistical value > 1.96 and the p-value < 0.05 show that Compensation has a positive and significant effect on Job Satisfaction. Thus, the hypothesis that Compensation has a positive effect on Job Satisfaction is accepted.
2. The effect of Career Development on Job Satisfaction has a path coefficient value of 0.287 with a t-statistics value of 5.193 and a p-value of 0.000. This shows that Career Development has a positive and significant effect on Job Satisfaction, so the hypothesis is accepted.
3. The influence of Transformational Leadership on Job Satisfaction has a path coefficient value of 0.303 with a t-statistics value of 5.413 and a p-value of 0.000. These results show that Transformational Leadership has a positive and significant effect on Job Satisfaction, so the hypothesis is accepted.

4. The effect of compensation on job performance has a path coefficient value of 0.138 with a t-statistics value of 2.577 and a p-value of 0.010. The t-statistical value > 1.96 and the p-value < 0.05 show that Compensation has a positive and significant effect on Job Performance. Thus, the hypothesis that Compensation has a positive effect on Job Performance is accepted.
5. The influence of Career Development on Job Performance has a path coefficient value of 0.190 with a t-statistics value of 3.396 and a p-value of 0.001. This shows that Career Development has a positive and significant effect on Job Performance, so the hypothesis is accepted.
6. The influence of Transformational Leadership on Job Performance has a path coefficient value of 0.165 with a t-statistics value of 2.881 and a p-value of 0.004. These results show that Transformational Leadership has a positive and significant effect on Job Performance, so the hypothesis is accepted.
7. The effect of Job Satisfaction on Job Performance has a path coefficient value of 0.461 with a t-statistics value of 9.031 and a p-value of 0.000. This value shows that Job Satisfaction has a positive and significant effect on Job Performance. Thus, the hypothesis that Job Satisfaction has a positive effect on Job Performance is accepted.

Based on the results of the specific indirect effects test, all mediating relationships in this study had a positive and significant influence, which was shown by the p-value < 0.05 .

1. The effect of Compensation on Job Performance through Job Satisfaction has a path coefficient value (original sample) of 0.141, a standard deviation value of 0.027, a t-statistics value of 5.122, and a p-value of 0.000. These results show that Job Satisfaction is able to mediate positively and significantly the influence of Compensation on Job Performance. Thus, the hypothesis that Job Satisfaction mediates the effect of Compensation on Job Performance is accepted.
2. The effect of Career Development on Job Performance through Job Satisfaction has a path coefficient value of 0.132, a standard deviation value of 0.031, a t-statistics value of 4.288, and a p-value of 0.000. These results show that Job Satisfaction is able to mediate positively and significantly the influence of Career Development on Job Performance. Thus, the hypothesis that Job Satisfaction mediates the influence of Career Development on Job Performance is accepted.
3. The effect of Transformational Leadership on Job Performance through Job Satisfaction has a path coefficient value of 0.140, a standard deviation value of 0.029, a t-statistics value of 4.833, and a p-value of 0.000. These results show that Job Satisfaction is able to mediate positively and significantly the influence of Transformational Leadership on Job Performance. Thus, the hypothesis that Job Satisfaction mediates the influence of Transformational Leadership on Job Performance is accepted.

The Effect of Compensation on *Job Satisfaction*

The results of the study show that compensation is able to increase *employee job satisfaction*. These findings indicate that compensation is not only seen as a reward for the work done, but also as a form of organizational appreciation for employee contributions. When employees feel that salaries, raises, benefits, and the payroll system are provided fairly and transparently, they will have a positive perception of the organization so that there is a sense of satisfaction at work.

The findings of this study support *the Organizational Behavior Theory* which states that compensation as part of *organizational mechanisms* is able to form a positive perception of employees towards the organization so as to increase *job satisfaction*. In addition, *Job Demands–Resources Theory* explains that compensation is one of the *job resources* that can increase work motivation through the fulfillment of employees' financial and psychological needs. The results of this study are also in line with the research of Budiono (2022), Safia et al. (2025), and Yuliastari and Darma (2025) who found that compensation has a positive and significant effect on *job satisfaction*.

The Effect of Career Development on Job Satisfaction

The results of the study show that *career development* has an effect on increasing employee *job satisfaction*. These findings show that opportunities for growth are one of the important factors in building job satisfaction. Employees not only want jobs that provide income, but also expect opportunities to improve their competencies and obtain better career paths in the future.

The findings of this study support *Organizational Behavior Theory* which explains that career development opportunities are part of *organizational mechanisms* that are able to shape employees' positive attitudes towards the organization. In addition, *Job Demands–Resources Theory* also explains that *career development* is a *job resource* that increases intrinsic motivation through opportunities to learn, develop, and achieve career goals. The results of this study are also consistent with the research of Febrianti et al. (2020), Hosen et al. (2024), and Yuliastari and Darma (2025) which stated that *career development* has a positive effect on *job satisfaction*.

Pengaruh Transformational Leadership terhadap Job Satisfaction

The results of the study show that *transformational leadership* is able to increase employee *job satisfaction*. These findings suggest that leader behavior has an important role in shaping a positive work experience. Leaders who are able to inspire, be role models, build good communication, and pay attention to the needs of their subordinates will create a more conducive work atmosphere so that employees feel more comfortable and satisfied in carrying out their work.

The findings of this study support *the Organizational Behavior Theory* which explains that leadership is part of the *organizational mechanisms* that influence individual attitudes and behaviors through social relationships within the organization. In addition, *Job Demands–Resources Theory* views *transformational leadership* as one of the *job resources* in the form of support from superiors that is able to increase employee motivation and psychological well-being. The results of this study are also in line with the research of Aldossari and Alanizan (2025), Budiono (2022), and Yuliastari and Darma (2025) who stated that *transformational leadership* has a positive effect on *job satisfaction*.

The Effect of Compensation on Job Performance

The results of the study show that compensation has a positive effect on employee *job performance*. These findings show that the compensation provided by the company not only serves as a reward for the work done, but also as a form of appreciation for the employee's contributions. When employees feel that the compensation received is in accordance with their responsibilities and workload, there is an urge to work more optimally so that they can produce better *job performance*.

The findings of this study support *Organizational Behavior Theory* which explains that compensation as part of *organizational mechanisms* is able to influence work behavior and produce better *job performance*. In addition, *Job Demands Resources Theory* explains that compensation is one of the *job resources* that can increase motivation and work energy so as to encourage employees to achieve optimal performance. The results of this study are also in line with the research of Saif et al. (2024), Idris et al. (2020), and Yuliastari and Darma (2025) which stated that compensation has a positive effect on *job performance*.

The Influence of Career Development on Job Performance

The results of the study show that *career development* is able to improve *employee job performance*. These findings indicate that opportunities to develop careers not only benefit individuals, but also have an impact on improving the quality of work. When employees have the opportunity to develop competencies, participate in development programs, and see opportunities to grow within the organization, they will be encouraged to work better as a form of effort to achieve the expected career path.

The findings of this study support *Organizational Behavior Theory* which explains that career development is part of *organizational mechanisms* that are able to improve abilities, motivation, and work behavior so as to produce better *job performance*. In addition, *Job Demands Resources Theory* explains that *career development* is one of the *job resources* that is able to increase intrinsic motivation and work involvement so that it has an impact on improving performance. The results of this study are also in line with the research of Hosen et al. (2024), Yoopetch et al. (2021), and Yuliastari and Darma (2025) which stated that *career development* has a positive effect on *job performance*.

The Influence of Transformational Leadership on Job Performance

The results of the study show that *transformational leadership* is able to improve *employee job performance*. These findings show that leader behavior has a role in encouraging employees to work more effectively through providing motivation, direction, inspiration, and support during work. Leadership that is able to build positive relationships with subordinates will create a conducive work atmosphere so that employees are encouraged to make better contributions to the organization.

The findings of this study support *Organizational Behavior Theory* which explains that *transformational leadership* is part of *organizational mechanisms* that influence work behavior and produce better *job performance*. In addition, *Job Demands Resources Theory* views *transformational leadership* as one of the *job resources* that increase employee motivation, work engagement, and productivity. The results of this study are also in line with the research of Yuliastari and Darma (2025) which states that *transformational leadership* has a positive effect on *job performance*.

The Effect of Job Satisfaction on Job Performance

The results of the study show that *job satisfaction* is able to increase *employee job performance*. These findings show that job satisfaction is one of the important factors that drive employees to perform at their best. Employees who feel satisfied with their work tend to be more motivated, show commitment to the organization, and have a desire to get the job done to the fullest. On the other hand, if job satisfaction is low, enthusiasm and quality of work also have the potential to decrease.

The findings of this study support *Organizational Behavior Theory* which explains that *job satisfaction* is part of *individual mechanisms* that directly affect *job performance*. In addition, *Job Demands Resources Theory* explains that job satisfaction is the result of a motivational process that is formed when an organization is able to provide *adequate job resources* for employees. The results of this study are also in line with the research of Yuliastari and Darma (2025) which stated that *job satisfaction* has a positive effect on *job performance*.

The Effect of Compensation on Job Performance through Job Satisfaction

The results of the study show that *job satisfaction* is able to mediate the effect of compensation on *job performance*. These findings indicate that compensation not only directly drives performance improvement, but also first increases employee job satisfaction which then encourages them to work more optimally. In other words, compensation that is perceived to be fair and in accordance with expectations will increase the feeling of being valued by the organization, so that employees are encouraged to make a greater contribution to getting their work done.

The findings of this study support *the Organizational Behavior Theory* which explains that compensation as part of *organizational mechanisms* affects *job performance* through the formation of *job satisfaction* as *individual mechanisms*. In addition, *Job Demands–Resources Theory* explains that compensation is a *job resource* that increases work motivation so that it produces *job satisfaction* which ultimately has an impact on improving performance. The results of this study are also in line with the research of Yuliastari and Darma (2025) and Budiono (2022) who stated that *job satisfaction* is able to mediate the effect of compensation on *job performance*.

The Influence of Career Development on Job Performance through Job Satisfaction

The results of the study show that job satisfaction is able to mediate the influence of career development on job performance. These findings show that career development programs not only improve employees' abilities and competencies, but also build job satisfaction which in turn drives improved performance. The opportunity to grow gives employees confidence that the organization pays attention to their career future, so that there is an incentive to work more optimally.

The findings of this study support the *Organizational Behavior Theory* which explains that career development as part of *organizational mechanisms* forms job satisfaction which then affects job performance. In addition, *Job Demands Resources Theory* explains that career development is a *job resource* that increases motivation, work involvement, and job satisfaction so that it produces better performance. The results of this study are also in line with the research of Yuliastari and Darma (2025) which states that job satisfaction is able to mediate the influence of career development on job performance.

The Influence of Transformational Leadership on Job Performance Through Job Satisfaction

The results of the study show that job satisfaction is able to mediate the influence of transformational leadership on job performance. These findings indicate that transformational leadership's success in improving performance depends not only on the leader's ability to provide direct direction and motivation, but also on his or her ability to create job satisfaction among employees. When employees feel valued, supported, and cared for by their leaders,

they will have a more positive work experience and are encouraged to show better job performance.

The findings of this study support Organizational Behavior Theory which explains that transformational leadership as part of organizational mechanisms affects job performance through the formation of job satisfaction as individual mechanisms. In addition, Job Demands–Resources Theory views transformational leadership as a job resource that increases employee motivation and psychological well-being so as to strengthen job satisfaction and produce better job performance. The results of this study are also in line with the research of Yuliastari and Darma (2025) and Budiono (2022) who stated that job satisfaction is able to mediate the influence of transformational leadership on job performance.

CONCLUSION

Based on the results of the data analysis and discussion regarding the effects of compensation, career development, and transformational leadership on job performance with job satisfaction as an intervening variable at PT XYZ in the food and beverage industry, it can be concluded that all independent variables have positive and significant effects on job satisfaction and job performance. A fair compensation system, clear career development opportunities, and the implementation of inspirational transformational leadership practices have been proven to improve the job satisfaction and performance of PT XYZ's non-operational employees. In addition, job satisfaction has a positive and significant effect on job performance, indicating that higher levels of employee job satisfaction contribute to improved work quality, productivity, and achievement of organizational targets. Furthermore, job satisfaction has been proven to function as an intervening variable that mediates the relationships between compensation, career development, and transformational leadership and job performance. Therefore, improvements in these factors influence employee performance not only directly but also indirectly through increased job satisfaction. Based on these findings, PT XYZ is recommended to strengthen its compensation system by ensuring fairness and transparency, establish clearer career development pathways, and develop transformational leadership competencies through structured training programs to sustain employee satisfaction and performance. Future researchers are encouraged to expand the research model by incorporating additional variables, such as organizational culture, employee engagement, and work-life balance, as well as extending the research scope to other industries to improve the generalizability of the findings.

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