# Effect of Career Development, Compensation and Leadership Style on Job Satisfaction

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### Abstract

Career development, compensation and leadership style are directly related to employee job satisfaction. Career development, compensation and leadership style perceived by employees can reduce job satisfaction or increase employee job satisfaction. Employees who are satisfied with the work obtained will be motivated to improve performance so that it will have an impact on increasing the performance of the company or organization as a whole. Therefore, it is expected that the organization must be aware of and create a management system that takes into account the factors that influence the work attitude of employees in order to achieve the goals of the organization itself. This study aims to analyze the effect of career development, compensation, and leadership style variables on employee job satisfaction. This research was conducted at PT Sinar Putra Metalindo, Cikarang. The number of samples set is 98 respondents with sampling using the saturated sample method. Measurements in the questionnaire. The data analysis method used is multiple linear regression using the SPSS 26 application program. The results of testing the first hypothesis show that career development has a positive and significant effect on employee job satisfaction. The results of testing the second hypothesis show that compensation has a positive and significant effect on employee job satisfaction. The results of testing the third hypothesis show that leadership style has a positive and significant effect on employee job satisfaction.

Keywords: Career Development, Compensation, Leadership Style, Employee Job Satisfaction.

### 1. Introduction

The current era of globalization, competition between companies or businesses is so tight that it encourages every company to improve its business in order to achieve its goal of getting the maximum profit, to achieve this the company is required to have a good management. Human resources are one of the most important factors, if managed properly it will produce competent and highly competitive employees. The strategy that can be used to achieve these goals is to form resources that can work together or in other words job satisfaction also plays an important role in this case, achieving job satisfaction is important to achieve the goals of the company.

Human resources are factors that determine the success or failure of a company to carry out various activities in order to achieve organizational goals. In order for human resources to support the achievement of company goals, companies must be able to utilize their human resources more effectively and efficiently with a tendency towards employee job satisfaction. Job satisfaction in the company is the answer to whether or not the company's goals have been set. Sometimes bosses or managers often don't pay attention to this unless it's gone really bad or things are going awry. If

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managers often do not know how bad the job satisfaction of their employees is, the company or related agency will face a serious crisis.

Mila Badriyah (2015) defines job satisfaction as an employee's attitude or feeling towards pleasant or unpleasant aspects of work in accordance with the assessment of each employee. Career development is a continuous process that individuals go through through personal efforts in order to realize the goals of career planning that are adapted to organizational conditions (Busro, 2018). Compensation is compensation for services or remuneration provided by the organization to workers because these workers have contributed energy and thoughts for the progress of the organization in order to achieve the goals that have been set. (Great, Pupung, 2019). Leadership style is a behavioral norm used by a person when that person tries to influence the behavior of others or subordinates (Miftah, 2018).

A leader is someone who has a program and who behaves together with group members using a certain way or style. Leadership has a role as a dynamic force that drives, motivates and coordinates organizational companies in achieving a goal. Employee job satisfaction can be seen not only when doing work, but also related to other aspects such as interactions with colleagues, superiors, following regulations, and the work environment. Job satisfaction is a pleasant or unpleasant emotional state for employees towards their work. Job satisfaction reflects a person's feelings towards his work which can be seen from the employee's attitude towards work and everything in the work environment.

Employee job satisfaction is expected by almost all employees in every company and it is the company's responsibility to make it happen. This can be achieved depending on the policies of each company. In this case it has been realized by PT. Sinar Putra Metalindo has a mission to prosper its employees, but information from the HRGA Division in the period from January 2021 to May 2021 there were several employees who submitted their resignations as seen in the Turn Over data and through the interview form data on the reasons for resigning from PT. Sinar Putra Metalindo, the employee received a career opportunity and a salary increase in a new company and stated that he was not happy with the behavior of his superiors in work situations.

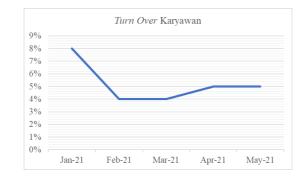


Figure 1. Turn Over Resign Data

Based on the graph above, it can be concluded that employee turnover still fluctuates every month, one of the determining factors for success in achieving its goals is that good and effective job satisfaction plays an important role in determining the survival of an organization. Employee job satisfaction is an important factor in a company, namely to support the achievement of company goals. Achieving company goals requires the intervention of employees and management. Based on the results of pre-research observations found several problems that need to be considered at PT. Sinar Putra Metalindo, Cikarang related to employee job satisfaction. The problem that arises is that employee monitoring and evaluation has not been implemented. Monitoring and evaluation is useful as a measure of the success of the program or policy being implemented. Monitoring and evaluation plays a very important role in job satisfaction because it can have a positive impact on employees such as making work more controlled so that employees will feel satisfied with the results of their work and

support the success of the company's work. The success of the company's work will not run smoothly without the intervention of the leadership.

In order to face competition in the steel trading business, especially at PT. Sinar Putra Metalindo requires employees who can work well and provide optimal productivity results in order to assist in achieving the company's targets and of course this is supported by an effective work culture as well. The purpose of the research to be achieved is to determine the extent of the influence of career development, compensation and leadership style on job satisfaction of employees of PT. Sinar Putra Metalindo which until now there has been no research (empirical data).

# 2. Research Methods

The type of research used is quantitative research. The population of this research is all employees at PT. Sinar Putra Metalindo, totaling 98 people, with a sample of 98 respondents using a saturated sample. The types and sources of data used are primary data and secondary data. Primary data sources were obtained by distributing questionnaires via google form. This secondary data is obtained with pre-existing data, which is obtained from company data reports. Data analysis method using multiple regression analysis with the help of SPSS program

# 3. Results and Discussion

# **Multiple Linear Regression Analysis**

In this study, multiple regression analysis was used with the aim of knowing whether there was an influence between the independent variable and the dependent variable. Statistical calculation of multiple linear regression analysis used in this study using SPSS Version 26 software.

Coefficients <sup>a</sup>							
				Standardized			
Model		Unstandardized Coefficients		Coefficients	– т	Sig.	
	inoder	В	Std. Error	Beta		515.	
1	(Constant)	31,298	5,913		5,293	0,000	
	Career development	0,209	0,089	0,195	2,353	0,021	
	Compensation	0,300	0,089	0,276	3,364	0,001	
	Leadership Style	0,382	0,061	0,513	6,240	0,000	

# Table 1. Multiple Regression Equation Test Results

*Source: SPSS v 26 processing results (Data processed 2022)* 

Based on the table above, the following equation can be formed:

# Y = 31,298 + 0.209 (X1) + 0.300 (X2) + 0.382 (X3)

The following is an explanation of the results of the above equation:

Constant = 31,298, the positive constant value shows the positive influence of the independent variable on the dependent variable. If the independent variable increases or has an effect, then employee job satisfaction will increase by 31.298 or be affected. Career development variable coefficient = 0.209 The regression coefficient value of career development variable on employee job

satisfaction variable, meaning that if the level of career development increases, employee job satisfaction will increase by 0.209 or 21%. The coefficient is positive, meaning that the career development variables and employee job satisfaction are positively related. Compensation variable coefficient (X2) = 0.300. The regression coefficient value of the compensation variable on the employee job satisfaction variable, meaning that the better the level of compensation, the employee's job satisfaction will increase by 0.300 or 30%. The coefficient is positive, meaning that the compensation variable and employee job satisfaction (Y) are positively related. Leadership Style variable coefficient = 0.382. The regression coefficient value of the leadership style variable on the employee job satisfaction variable, meaning that the better the level of leadership style, the employee's job satisfaction will increase by 0.382 or 38.2%. The coefficient is positive, meaning that the variables of leadership style and employee job satisfaction are positively related. The coefficient of determination is the square of the correlation coefficient (r<sup>2</sup>) associated with the independent variable and the dependent variable.

### **Table 2. Coefficient of Determination Test Results**

Model Summary <sup>b</sup>						
			Adjusted R	Std. Error of the		
Model	R	R Square	Square	Estimate		
1	.627ª	0,393	0,374	4,606		

Source: SPSS v 26 processing results (Data processed 2021)

Based on table 4.14 shows the results of Adjusted R Square (Coefficient of determination) of 0.393, which means that there is an influence of the independent variable on the dependent variable, which is 39.3%.

### **F** Test Results

Table 3, Results of Hypothesis	<b>Testing with F Test</b>
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ANOVA <sup>a</sup>								
Model		Sum of Squares	Df	Mean Square	F	Sig.		
1	Regression	1292,531	3	430,844	20,313	.000 <sup>b</sup>		
	Residual	1993,806	94	21,211				
	Total	3286,337	97					

Source: SPSS v 26 processing results (Data processed 2021)

Based on the test results in the table above, it can be seen that the value of f is 20.313 with a value of f is 2.70, and a significant level of 0.000 < 0.05, it can be concluded that the variables of Career Development, Compensation and Leadership Style simultaneously have a significant effect on satisfaction. Employee Work.

# Discussion

The test results on the first hypothesis which represent a positive relationship between career development and employee job satisfaction. Based on the results of the partial test with the help of SPSS 26 software for the career development variable, it was obtained that t = 2.353 and a

significance value of 0.021, with a significant probability much less than 0.05 and a t arithmetic value greater than t = 1.98552. This shows that partially career development variables have an influence on job satisfaction of PT Sinar Putra Metalindo employees. This means that the more positive and significant career development will be, the more positive and significant employee job satisfaction will be. The results of this study are in accordance with the results of previous studies which suggest that there is an influence between career development and employee job satisfaction as stated by (Vethzal Rivai, 2013).

The test results on the second hypothesis, which presents a positive relationship between compensation and employee job satisfaction. Based on the results of the partial test with the help of SPSS 26 software for the Compensation variable, it was obtained that t = 3.364 and a significance value of 0.001, with a significant probability much less than 0.05 and a t value greater than t = 1.98552. This shows that partially the compensation variable has an influence on job satisfaction of PT Sinar Putra Metalindo employees. This means that the more positive and significant the compensation, the more positive and significant the employee's job satisfaction will be. The results of this study are in accordance with the results of previous studies which suggest that there is an influence between compensation and employee job satisfaction as stated by (Ekhsan, 2019; Hasibuan, 2005).

The test results on the third hypothesis which presents a positive relationship between leadership style on employee job satisfaction. Based on the results of the partial test with the help of SPSS 26 software for the leadership style variable, it was obtained t = 6.240 and a significance value of 0.000, with a significant probability much less than 0.05 and a t value greater than t = 1.98552. This shows that partially the leadership style variable has an influence on job satisfaction of PT Sinar Putra Metalindo employees. This means that the more positive and significant the leadership style, the more positive and significant the employee's job satisfaction will be. The results of this study are in accordance with the results of previous studies which suggest that there is an influence between leadership style and employee job satisfaction (Setiawan, 2021).

#### 4. Conclusion

The results of the first analysis concluded that career development has a positive effect on job satisfaction, it is stated that the influence of career development is significant on employee job satisfaction. The results of the second analysis concluded that compensation has a positive effect on job satisfaction, it is stated that career compensation is significant on employee job satisfaction. The results of the third analysis concluded that leadership style has a positive effect on job satisfaction, it is stated that the influence of leadership style is significant on employee job satisfaction.

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