

Effects of Career Decision Justice and Performance Appraisal Transparency on Career Satisfaction: The Mediating Role of Self-Efficacy

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ARTICLE INFO

Research Paper

Article history:

Received: 2 June 2026

Revised: 15 August 2026

Accepted: 30 August 2026

Keywords: Career Decision Justice; Performance Appraisal Transparency; Self-Efficacy; Career Satisfaction; PLS-SEM

DOI:

<https://doi.org/10.54099/ijamb.v4i2.1968>

ABSTRACT

Purpose -- This study examines the effect of career decision justice and performance appraisal transparency on career satisfaction, with self-efficacy as a mediator, among employees of an Independent Public Institution as a representation of independent public institutions in Indonesia.

Methodology/approach -- This study used a quantitative causal design with a non-probability sampling technique. Purposive sampling with proportional allocation yielded 241 valid responses from 546 permanent employees. Data were analyzed with PLS-SEM using SmartPLS 4.

Findings -- Career decision justice positively affects career satisfaction and self-efficacy. Performance appraisal transparency affects self-efficacy but does not directly affect career satisfaction. Self-efficacy positively affects career satisfaction, partially mediating the justice-satisfaction relationship and fully mediating the transparency-satisfaction relationship.

Novelty/value -- This study integrates justice and cognitive theories within the context of an independent public institution, showing self-efficacy as an important psychological bridge between HR practices and sustainable career satisfaction.

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INTRODUCTION

Human Resources (HR) are viewed as a strategic determinant in ensuring both organizational performance and sustainability, including in independent public institutions in Indonesia (Armstrong, 2022; Kramar, 2022). The shift in the role of HR management from an administrative function toward a strategic organizational partner further underscores the importance of integrated career and performance management for employees (Widigdo, Huda, et al., 2025). Recent research trends also indicate that attention in HR management is increasingly shifting from an emphasis on administrative aspects toward HR management that supports organizational sustainability and individuals' capacity to develop (Kramar, 2022; Widigdo, Huda, et al., 2025). In this context, employees' psychological aspects, including confidence in their own capabilities and perceptions of organizational experiences, become relevant to understanding sustainable career development. As an entity operating outside the ministerial hierarchy yet carrying technical and regulatory functions that demand high competence and integrity, institutional success depends heavily on the quality of its people and how they interpret their career development.

Career satisfaction reflects an individual's subjective evaluation of their career progress and goal attainment, as measured through the Career Satisfaction Scale from Greenhaus et al. (1990) in Rahman (2024). Unlike job satisfaction, which tends to be contextual and temporary, career satisfaction is more cumulative because it is formed from an individual's entire long-term professional journey (Adhikari & Thapa, 2025; Handl et al., 2025). A high level of career satisfaction is positively correlated with organizational commitment, employee retention, and more optimal work performance (Adhikari & Thapa, 2025).

As supporting context regarding employee experience, the national employee engagement level of Indonesian civil servants (ASN) rose from 14.05 (2022) to 42.04 (2023) and 58.42 (2024) (Kementerian PANRB, 2025), while an internal survey at the Independent Public Institution recorded an employee engagement score of 87 (2023) and 84/100, categorized as Moderately Engaged (2024). Although the two datasets are not directly comparable due to differences in measurement instruments, the trend indicates that employee engagement remains an ongoing concern in the HR management of independent public institutions.

A preliminary observation of 30 employees showed that all respondents considered career satisfaction an important aspect, although some were still not satisfied with their career development. A follow-up pre-survey of 22 active employees found that 63.6% of respondents were satisfied with their overall career development, with organizational support (81.8%) and leadership support (90.9%) perceived as relatively high. In contrast, the proportion of positive perceptions was considerably lower for career decision justice (54.5%) and performance appraisal transparency (59.1%), indicating that these two aspects warrant further attention in employees' career experience compared to other supporting factors.

Prior research on the relationships among these variables shows varied results. Regarding career decision justice, Rahman (2024) found that distributive and procedural justice had a significant positive effect on career satisfaction in Bangladesh's banking sector, and Ghaderi et al. (2023) showed distributive justice as the strongest predictor of job satisfaction in Tehran's hospitality sector. However, Ibrahim et al. (2022), in the context of Indonesian public institutions, found that distributive justice was more dominant than procedural justice, while Versteegt et al. (2022) showed that the role of procedural justice is conditional on the level of employees' job autonomy.

Regarding performance appraisal transparency, Muhammad et al. (2025) found that appraisal fairness partially mediates the satisfaction-performance relationship, and Mahaputri and Yaimin (2025) showed a positive relationship between appraisal transparency and employees' career satisfaction and confidence at an Indonesian public health institution. In contrast, Tarigan, Gustomo, and Bangun (2025) found that Indonesian government performance appraisal systems are prone to bias due to bureaucratic culture, and Rodrigues et al. (2023) showed that public-sector employees' satisfaction with appraisal systems is significantly lower than in the private sector.

Regarding the mediating role of self-efficacy, Rahman (2024) and Ansari et al. (2025) showed that self-efficacy significantly mediates the effect of organizational justice on career satisfaction and quality of work life. However, Ni et al. (2024) found that the strength of this mediation is conditional on the level of proactive personality, while Alilio et al. (2024), studying Generation Z in the Philippines, found no positive relationship between self-efficacy and quality of work life. These varying results across different loci and contexts indicate that the relationships among career decision justice, performance appraisal transparency, self-efficacy, and career satisfaction remain relevant to re-examine.

Although previous studies have examined relationships among these variables, studies integrating Career Decision Justice, Performance Appraisal Transparency, Self-Efficacy, and Career Satisfaction within a single research model remain limited. Previous studies have also been conducted across diverse contexts, including banking, hospitality, education, health, and government sectors, while studies in the context of independent public institutions remain relatively limited. Accordingly, a research gap persists in terms of the integration of relationships among variables, organizational context, and the psychological mechanisms that explain how employees' experiences of HR management practices relate to their career satisfaction.

This gap gives rise to research problems from both theoretical and practical perspectives. Theoretically, relatively few studies have integrated Organizational Justice Theory, Social Exchange Theory, and Social Cognitive Theory within a single model to explain how Career Decision Justice and Performance Appraisal Transparency relate to Career Satisfaction through Self-Efficacy. Practically, independent public institutions face challenges in managing career decisions and performance appraisals that not only meet procedural requirements but also provide organizational information and experiences that help employees build confidence in their capabilities and career development.

Based on the organizational phenomena, preliminary survey results, and the identified research gap, this study aims to examine and analyze the effects of Career Decision Justice and Performance Appraisal Transparency on Career Satisfaction, both directly and through Self-Efficacy as a mediator, among employees of an Independent Public Institution. This study is expected to enrich the sustainable HR management literature by explaining the role of Self-Efficacy as a psychological mechanism linking Career Decision Justice and Performance Appraisal Transparency with Career Satisfaction, while also providing practical input for HR management in supporting employees' sustainable career development.

LITERATURE REVIEW

Three theories underpin this study. Social Exchange Theory, through the concept of Blau (1964) in Firdaus and Aristin (2022), views fair treatment as a signal that encourages a positive reciprocal response. Organizational Justice Theory, through the framework of Greenberg (1987) and Colquitt (2001) in Taneja et al. (2023), explains how employees assess the fairness of organizational decisions. Social Cognitive Theory, through the concept of Bandura (1977) in Tavlan Soydan et al. (2022), explains how experience and feedback from the environment shape self-efficacy beliefs.

The Relationship between Career Decision Justice and Sustainable Career Satisfaction

Career decision justice reflects the perceived fairness of decisions concerning promotion, assignment, and rotation, encompassing procedural, distributive, and interactional dimensions (Greenberg, 1987; Colquitt, 2001, in Taneja et al., 2023). Procedural and distributive justice contribute positively to career satisfaction (Rahman, 2024; Rahman et al., 2025), relate to employee satisfaction in Indonesia's public sector (Ibrahim et al., 2022), and help preserve job satisfaction when employees' job autonomy is relatively low (Versteegt et al., 2022).

H1: Career decision justice has a positive effect on sustainable career satisfaction.

The Relationship between Performance Appraisal Transparency and Sustainable Career Satisfaction

Performance appraisal transparency reflects the extent to which appraisal criteria and feedback are clear and constructive, enabling employees to understand performance expectations (Jha & Ray, 2022). A transparent evaluation process constitutes a positive form of exchange that can foster better employee evaluations. Jha and Ray (2022) and Taneja et al. (2023) emphasize the importance of clarity in criteria and feedback quality. Ayoun et al. (2022) show a link between performance appraisal fairness and employee satisfaction, while Rodrigues et al. (2023) show variation in satisfaction with appraisal systems by sector. Widigdo, Radiansyah, et al. (2025) add that performance appraisal transparency is also determined by the extent to which the evaluation process is free from subjective biases such as the halo effect and recency effect, which can be reduced through multi-rater assessment or 360-degree feedback approaches and the use of Human Resource Analytics to support real-time, evidence-based decision-making.

H2: Performance appraisal transparency has a positive effect on sustainable career satisfaction.

The Relationship between Career Decision Justice and Self-Efficacy

From the perspective of Social Cognitive Theory through the concept of Bandura (1977) in Tavlan Soydan et al. (2022), self-efficacy beliefs are shaped by experience, information, and feedback from the environment. Justice in career decisions provides a clearer mastery experience and reinforcement through verbal persuasion. Justice has a positive effect on self-efficacy (Rahman, 2024; Rahman et al., 2025; Ansari et al., 2025; Abuelhassan et al., 2022).

H3: Career decision justice has a positive effect on self-efficacy.

The Relationship between Performance Appraisal Transparency and Self-Efficacy

Clarity of appraisal criteria and constructive feedback function as an important learning source that strengthens individuals' confidence in their ability to achieve career goals. Jha and Ray (2022) and Taneja et al. (2023) emphasize the importance of clarity in criteria and feedback quality, Zreen et al. (2025) show the role of self-efficacy in the mechanism linking performance appraisal to innovative work behavior, while Hofmann et al. (2022) found that the frequency of evaluative feedback is positively related to occupational self-efficacy.

H4: Performance appraisal transparency has a positive effect on self-efficacy.

The Relationship between Self-Efficacy and Sustainable Career Satisfaction

Career self-efficacy reflects an individual's confidence in their ability to plan, manage, and achieve career goals. Individuals with higher self-efficacy tend to be more proactive, better able to overcome obstacles, and more confident in making career decisions. Self-efficacy is positively related to career satisfaction (Rahman, 2024; Hildred et al., 2024; Takawira, 2024; Song et al., 2025).

H5: Self-efficacy has a positive effect on sustainable career satisfaction.

The Mediating Role of Self-Efficacy in the Relationship between Career Decision Justice and Sustainable Career Satisfaction

Career decision justice has the potential to increase self-efficacy, which in turn fosters more positive career evaluations, positioning self-efficacy as a connecting psychological mechanism. Self-efficacy mediates the justice-satisfaction relationship in related studies (Rahman, 2024; Rahman et al., 2025; Ansari et al., 2025; Abuelhassan et al., 2022).

H6: Self-efficacy positively mediates the effect of career decision justice on sustainable career satisfaction.

The Mediating Role of Self-Efficacy in the Relationship between Performance Appraisal Transparency and Sustainable Career Satisfaction

Clearer performance appraisal transparency has the potential to strengthen self-efficacy, which in turn contributes to more positive career evaluations. Evidence across this chain supports this pathway (Jha & Ray, 2022; Zreen et al., 2025; Tavlan Soydan et al., 2022; Hildred et al., 2024).

H7: Self-efficacy positively mediates the effect of performance appraisal transparency on sustainable career satisfaction.

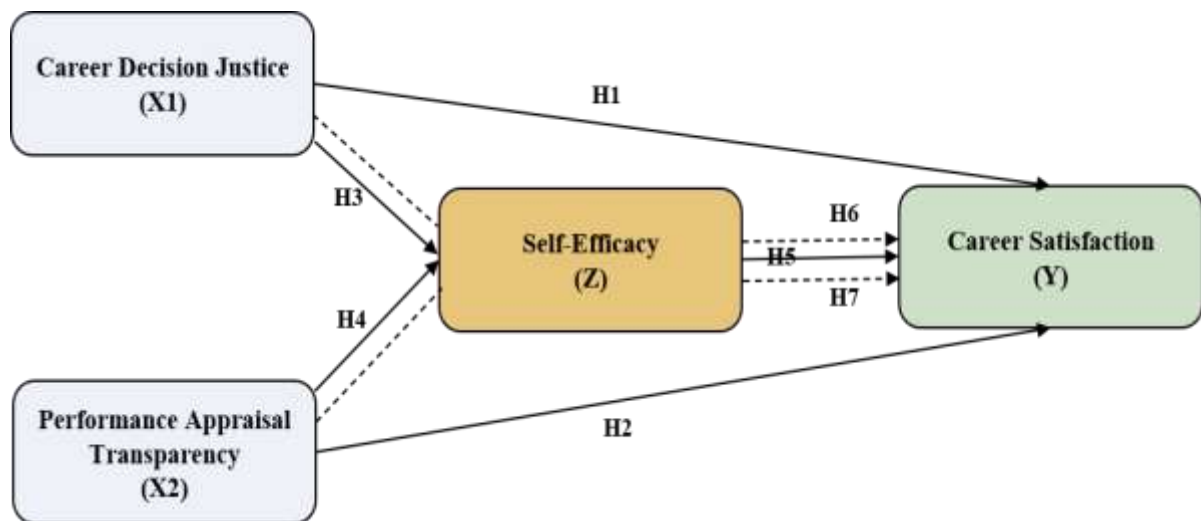


Figure 1. Conceptual Framework

METHOD

This study used a quantitative causal design to examine the direct and indirect effects among career decision justice (X1), performance appraisal transparency (X2), self-efficacy (Z), and career satisfaction (Y). The population comprised 546 permanent employees of the Independent Public Institution with 5-25 years of tenure, at position levels from Assistant Manager to Assistant Director, who had experienced at least one career decision and performance appraisal process.

Purposive sampling with proportional allocation across three tenure groups (5-10, 10-20, and 20-25 years) was used. The Slovin formula (5% margin of error) served as the guideline for minimum sample adequacy ($n=231$); 241 valid responses were obtained, covering all tenure groups. Data were collected through a Google Form questionnaire using a five-point Likert scale (1 = strongly disagree, 5 = strongly agree).

Career satisfaction was measured with five items from the Career Satisfaction Scale (Greenhaus et al., 1990, in Rahman, 2024). Self-efficacy was measured with six items adapted from the General Self-Efficacy concept (Schwarzer & Jerusalem, 1995, in Rahman, 2024). Career decision justice was measured with twelve items covering the procedural, distributive, and interactional dimensions (Colquitt, 2001, in Taneja et al., 2023), while performance appraisal transparency was measured with eight items covering the dimensions of criteria clarity and feedback quality (Taneja et al., 2023). The operationalization of the variables is presented in Table 1.

Table 1. Operationalization of Research Variables

No	Variable	Indicator	Code	Scale
1	Career Satisfaction (Y)	Satisfaction with career achievement	Y1	Ordinal
		Satisfaction with income progression	Y2	Ordinal
		Satisfaction with competency development	Y3	Ordinal
		Satisfaction with overall career development	Y4	Ordinal
		Satisfaction with position advancement and promotion	Y5	Ordinal
2	Self-Efficacy (Z)	Confidence in meeting career competency standards	Z1	Ordinal
		Confidence in career action planning	Z2	Ordinal
		Confidence in taking career-related action	Z3	Ordinal
		Confidence in overcoming career obstacles	Z4	Ordinal

3	Career Decision Justice (X1)	Confidence in career progress from current effort	Z5	Ordinal
		Confidence in sustained career progress through consistent effort	Z6	Ordinal
		Consistency of promotion decision procedures	KP1	Ordinal
		Objectivity of the information underlying career decisions	KP2	Ordinal
		Freedom of procedures from bias and favoritism	KP3	Ordinal
		Employee involvement in the career decision process	KP4	Ordinal
		Alignment of career outcomes with contribution	KD1	Ordinal
		Proportionality of career outcomes to performance	KD2	Ordinal
		Comparative fairness in position assignment	KD3	Ordinal
		Clarity and acceptance of career-level criteria	KD4	Ordinal
		Dignified treatment from leadership	KI1	Ordinal
		Adequacy of explanation for career decisions	KI2	Ordinal
		Openness and honesty of leadership communication	KI3	Ordinal
		Openness of grievance channels and responsiveness	KI4	Ordinal
		Clarity of appraisal criteria before evaluation	KK1	Ordinal
		Consistency and predictability of performance standards	KK2	Ordinal
4	Performance Appraisal Transparency (X2)	Clarity of performance expectations conveyed to employees	KK3	Ordinal
		Accountability of performance appraisal indicators	KK4	Ordinal
		Specificity and constructiveness of feedback	KUB1	Ordinal
		Usefulness of feedback for self-development	KUB2	Ordinal
		Timeliness of appraisal result delivery	KUB3	Ordinal
		Quality of discussion and explanation of appraisal results	KUB4	Ordinal

Data were analyzed with PLS-SEM in SmartPLS 4, using a bootstrapping procedure of 5,000 subsamples and two-tailed testing at a 5% significance level (Hair et al., 2022; Sarstedt et al., 2022). The analysis proceeded through two stages: outer model evaluation (convergent validity, discriminant validity, and reliability) followed by inner model evaluation (coefficient of determination, effect size, and hypothesis testing for direct and indirect effects).

RESULT AND DISCUSSION

Respondent Characteristics

Respondents were permanent employees of the Independent Public Institution with a minimum tenure of five years, holding position levels from Assistant Manager to Assistant Director. The demographic characteristics of the 241 respondents are presented in Table 2.

Table 2. Demographic Characteristics of Respondents

Characteristic	Category	Frequency	Percentage
Gender	Male	123	51.0%
	Female	118	49.0%
Age	< 30 years	12	5.0%
	30-40 years	78	32.4%
	40-50 years	146	60.6%
	> 50 years	5	2.1%
Tenure	5-10 years	53	22.0%
	10-20 years	116	48.1%
	20-25 years	72	29.9%
Rank	Assistant Manager	108	44.8%
	Manager	93	38.6%
	Assistant Director	40	16.6%

As shown in Table 2, the gender composition was relatively balanced between male (51.0%) and female (49.0%) respondents. The majority of respondents were aged 40-50 years (60.6%), indicating that the study population was dominated by employees in the mid-to-mature career stage. In terms of tenure, the 10-20 year group accounted for the largest proportion (48.1%), while Assistant Managers represented the largest rank group (44.8%), followed by Managers (38.6%) and Assistant Directors (16.6%). Overall, Table 2 indicates that the respondents represented diverse career stages and position levels within the institution.

Data Analysis Technique

Data were analyzed using PLS-SEM via SmartPLS 4, covering two stages: measurement model (outer model) evaluation to test validity and reliability, and structural model (inner model) evaluation to test the coefficient of determination, effect size, and the research hypotheses.

Measurement Model (Outer Model) Test Results

Convergent validity and construct reliability were evaluated using outer loading, Average Variance Extracted (AVE), Cronbach's Alpha, and Composite Reliability. Convergent validity was considered established when outer loading values were ≥ 0.70 and $AVE \geq 0.50$, while construct reliability was considered established when Cronbach's Alpha and Composite Reliability values were ≥ 0.70 (Hair et al., 2022). The results of the convergent validity and construct reliability assessment are presented in Table 3.

Table 3. Outer Loading, Average Variance Extracted (AVE), and Construct Reliability

Variable	Indicator Code	Outer Loading	AVE	Cronbach's Alpha	Composite Reliability
Career Decision Justice (X1)	KD1	0,839	0,655	0,952	0,958
	KD2	0,757			
	KD3	0,730			
	KD4	0,796			
	KI1	0,809			
	KI2	0,838			
	KI3	0,836			
	KI4	0,794			
	KP1	0,802			
	KP2	0,858			
	KP3	0,842			
	KP4	0,803			
Performance Appraisal Transparency (X2)	KK1	0,849	0,691	0,936	0,947
	KK2	0,822			
	KK3	0,769			
	KK4	0,851			

	KUB1	0,902			
	KUB2	0,876			
	KUB3	0,781			
	KUB4	0,791			
Self-Efficacy (Z)	Z1	0,913	0,803	0,951	0,961
	Z2	0,900			
	Z3	0,901			
	Z4	0,886			
	Z5	0,889			
	Z6	0,889			
Career Satisfaction (Y)	Y1	0,891	0,753	0,917	0,938
	Y2	0,791			
	Y3	0,846			
	Y4	0,918			
	Y5	0,887			

As shown in Table 3, all 31 indicators had outer loading values above 0.70 and all constructs had AVE values above 0.50, thereby meeting the convergent validity criteria. In addition, Cronbach's Alpha values ranged from 0.917 to 0.952 and Composite Reliability values ranged from 0.938 to 0.961, all above the minimum threshold of 0.70. Therefore, all constructs in this study were found to have adequate convergent validity and reliability.

The indicators with the highest outer loadings were Y4 (0.918) for Career Satisfaction, Z1 (0.913) for Self-Efficacy, KUB1 (0.902) for Performance Appraisal Transparency, and KP2 (0.858) for Career Decision Justice, reflecting the strongest relationships between indicators and their respective constructs. Next, discriminant validity was evaluated using the Fornell-Larcker criterion and HTMT.

Table 4. Fornell-Larcker Criterion (Square Root of AVE on the Diagonal)

Construct	Self-Efficacy (Z)	Career Decision Justice (X1)	Sustainable Career Satisfaction (Y)	Performance Appraisal Transparency (X2)
Self-Efficacy (Z)	0,896			
Career Decision Justice (X1)	0,575	0,809		
Career Satisfaction (Y)	0,627	0,748	0,868	
Performance Appraisal Transparency (X2)	0,618	0,793	0,665	0,832

As shown in Table 4, all square roots of AVE on the diagonal are greater than the corresponding inter-construct correlations in the same rows and columns. Thus, the Fornell-Larcker criterion is met and discriminant validity among the constructs is established. Discriminant validity was subsequently evaluated using the Heterotrait-Monotrait Ratio (HTMT), with a recommended threshold below 0.90 (Hair et al., 2022), as presented in Table 5.

Table 5. Heterotrait-Monotrait Ratio (HTMT)

Construct	Self-Efficacy (ED)	Career Decision Justice (KKar)	Career Satisfaction (KepKar)	Performance Appraisal Transparency (TPK)
Self-Efficacy (Z)	-			
Career Decision Justice (X1)	0,601	-		
Career Satisfaction (Y)	0,671	0,793	-	
Performance Appraisal Transparency (X2)	0,652	0,841	0,715	-

As shown in Table 5, HTMT values among the constructs ranged from 0.601 to 0.841 and were all below the 0.90 threshold. Thus, the Fornell-Larcker results in Table 4 and the HTMT results in Table 5 indicate that discriminant validity was established for all constructs.

Model fit was subsequently assessed using the Standardized Root Mean Square Residual (SRMR). The SRMR value of 0.059 was below the recommended threshold of 0.08 for PLS-SEM (Hair et al., 2022), indicating a good fit between the model and the research data.

Structural Model (Inner Model) Test Results

The coefficient of determination (R^2) value indicates the proportion of variance in the endogenous construct explained by the exogenous constructs in the model, as presented in Table 6.

Table 6. *R-Square (R^2) Values*

Endogenous Variable	R^2	R^2 Adjusted	Interpretation
Self-Efficacy (Z)	0,401	0,396	Weak
Sustainable Career Satisfaction (Y)	0,619	0,614	Moderate

As shown in Table 6, Career Decision Justice and Performance Appraisal Transparency explain 40.1% of the variance in Self-Efficacy (weak category), while Career Decision Justice, Performance Appraisal Transparency, and Self-Efficacy explain 61.9% of the variance in Career Satisfaction (moderate category), based on the criteria of Hair et al. (2022). In addition to R^2 , Cohen's effect size (f^2) was used to assess the substantive contribution of each path, with classifications of $f^2 = 0.02$ (small), 0.15 (medium), and 0.35 (large) (Sarstedt et al., 2022), as presented in Table 7.

Table 7. *Effect Size (f^2) Values for Each Path*

Path	f^2	Effect Category
Career Decision Justice → Career Satisfaction	0,267	Medium
Self-Efficacy → Career Satisfaction	0,121	Small
Performance Appraisal Transparency → Self-Efficacy	0,118	Small
Career Decision Justice → Self-Efficacy	0,032	Small
Performance Appraisal Transparency → Career Satisfaction	0,004	Negligible

As shown in Table 7, the Career Decision Justice → Career Satisfaction path has the largest effect size of 0,267 (medium category), whereas the Performance Appraisal Transparency → Career Satisfaction path has an effect size of 0.004, which is negligible, consistent with the non-significant H2 result. Hypothesis testing was conducted through bootstrapping with 5,000 subsamples; a hypothesis was supported if the T-statistic > 1.96 and p-value < 0.05 (Hair et al., 2022).

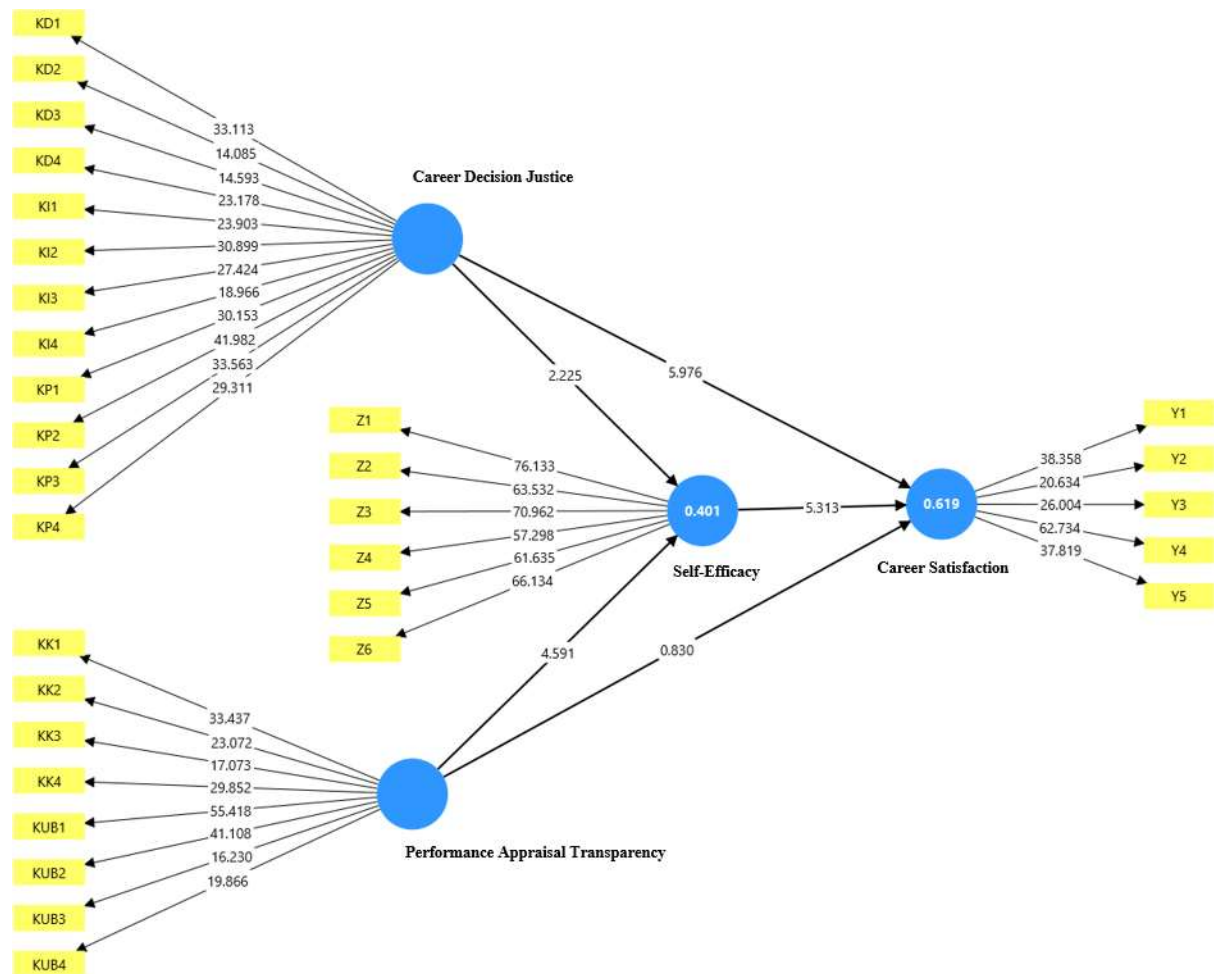


Figure 2. PLS-SEM Structural Model Bootstrapping Results

A recapitulation of the direct and indirect path coefficients, along with the resulting type of mediation, is presented in Table 8.

Table 8. Path Coefficients, T-Statistics, and P-Values — Direct and Indirect Effects

Relationship between Constructs	Original Sample	T-Statistic	p-value	Conclusion
Direct Effect				
Career Decision Justice (X1) → Career Satisfaction (Y)	0,532	5,976	0,000	Significant (H1 supported)
Performance Appraisal Transparency (X2) → Career Satisfaction (Y)	0,071	0,830	0,407	Not significant (H2 not supported)
Career Decision Justice (X1) → Self-Efficacy (Z)	0,228	2,225	0,026	Significant (H3 supported)
Performance Appraisal Transparency (X2) → Self-Efficacy (Z)	0,437	4,591	0,000	Significant (H4 supported)
Self-Efficacy (Z) → Career Satisfaction (Y)	0,278	5,313	0,000	Significant (H5 supported)
Indirect Effect				
Career Decision Justice (X1) → Self-Efficacy (Z) → Career Satisfaction (Y) - partial mediation	0,063	2,112	0,035	Significant (H6 supported)

Performance Appraisal Transparency (X2) → Self-Efficacy (Z) → Career Satisfaction (Y) - full/indirect-only mediation	0,121	3,504	0,000	Significant (H7 supported)
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Of the seven hypotheses tested, six were supported and one was not. Career Decision Justice proved to be the strongest direct path to Career Satisfaction and also had a significant indirect effect through Self-Efficacy (partial mediation). Performance Appraisal Transparency had no direct effect on Career Satisfaction, but its indirect effect through Self-Efficacy was significant (full/indirect-only mediation), indicating that Self-Efficacy functions as the psychological mechanism linking Performance Appraisal Transparency with Career Satisfaction, consistent with Social Cognitive Theory from Bandura (1977) in Tavlan Soydan et al. (2022).

H1: Career Decision Justice Has a Positive Effect on Career Satisfaction

H1 is supported. This finding indicates that a positive career experience is not determined solely by the career outcomes employees receive, but also by their belief that the process and rationale behind career decisions are conducted fairly. This finding is consistent with Organizational Justice Theory (Greenberg, 1987; Colquitt, 2001, in Taneja et al., 2023) and Social Exchange Theory (Blau, 1964, in Firdaus & Aristin, 2022): treatment perceived as fair within an exchange relationship encourages more positive employee responses and evaluations of the organization. The objectivity of the information underlying career decisions is the aspect most strongly reflecting this construct, consistent with Rahman (2024), Ibrahim et al. (2022), and Versteegt et al. (2022). Managerially, this finding is relevant to career management practices at the Independent Public Institution, which has used various employee data and criteria -- performance, competency, potential, character, and leadership -- in its strategic promotion and assignment processes. Because this mechanism is already in place, the main implication is not to build a new system, but to ensure consistent application and traceability of the information underlying every career decision, so that career management perceived as fair can become the foundation for sustainable career satisfaction.

H2: Performance Appraisal Transparency Has No Direct Effect on Career Satisfaction

H2 is not supported. This finding does not mean that performance appraisal transparency is unimportant; rather, it shows that openness in the appraisal process and results is not automatically translated into employees' evaluation of their overall career journey. This difference can be explained by the character of the two constructs: performance appraisal transparency relates to the clarity of criteria, standards, and feedback within a single evaluation cycle (Jha & Ray, 2022; Taneja et al., 2023), whereas career satisfaction is a broader, cumulative evaluation of goal attainment, competence, and long-term career journey (Greenhaus et al., 1990, in Rahman, 2024). In the context of the Independent Public Institution, career decisions also take into account competence, potential, achievement, character, and leadership more broadly, so a good understanding of performance appraisal results does not automatically produce a particular career outcome. This finding is consistent with Al-Baidhani and Alsaqqaf (2022) and Rodrigues et al. (2023). Managerially, the value of performance appraisal transparency lies not in information openness alone, but in the extent to which that information can be understood and used by employees to recognize their position and direction for development -- a mechanism that was in fact found to be significant through the Self-Efficacy pathway, as discussed under H7.

H3: Career Decision Justice Has a Positive Effect on Self-Efficacy

H3 is supported. Career decisions perceived as fair provide an organizational signal that helps employees build confidence in their capabilities and development prospects. In line with Social Cognitive Theory from Bandura (1977) in Tavlan Soydan et al. (2022), consistent and trustworthy

environmental information helps individuals interpret their capabilities and opportunities; career decisions based on clear and relevant criteria become evaluative information that reinforces employees' belief that their competence and contribution are being fairly assessed. This finding supports Rahman (2024) and is conceptually consistent with Tavlan Soydan et al. (2022). The implication for HR management is the importance of maintaining the quality and objectivity of the basis for career decisions, so that the process is not only perceived as fair but also helps employees gain a clearer understanding of their capacity and career development direction.

H4: Performance Appraisal Transparency Has a Positive Effect on Self-Efficacy

H4 is supported, and performance appraisal transparency is the strongest predictor of Self-Efficacy in this model. Clarity of standards, evaluation results, and feedback helps employees understand their capabilities, achievements, and areas for improvement. In line with Social Cognitive Theory from Bandura (1977) in Tavlan Soydan et al. (2022), evaluative information and verbal persuasion are important sources for building self-confidence; specific and constructive feedback is the strongest-reflecting indicator of this construct, relevant to the performance dialogue practice and the Human Resource SuperApps channel at the Independent Public Institution, consistent with Widigdo, Radiansyah, et al. (2025), who emphasize the role of Human Resource Analytics in supporting a more open and accountable performance evaluation. This finding is consistent with Jha and Ray (2022) and Taneja et al. (2023). Managerially, this finding explains why performance appraisal transparency is more meaningful when it functions as a development tool: a performance dialogue that explains evidence-based achievements, development areas, and follow-up steps can help employees transform appraisal information into confidence in their own capabilities. The implication is not to increase frequency or build a new process, but to strengthen the substantive quality of feedback within the mechanisms already in place.

H5: Self-Efficacy Has a Positive Effect on Career Satisfaction

H5 is supported. Employees' confidence in their own capabilities is a psychological resource that helps individuals evaluate their career progress and achievements more positively. In line with Social Cognitive Theory from Bandura (1977) in Tavlan Soydan et al. (2022), individuals with higher self-efficacy tend to set goals, sustain effort when facing obstacles, and use experience as a basis for directing action. Confidence in meeting career competency standards is the strongest-reflecting indicator of Self-Efficacy, while satisfaction with overall career development is the strongest-reflecting indicator of Career Satisfaction -- underscoring the link between understanding competency standards and employees' career direction. This finding is consistent with Rahman (2024), Tavlan Soydan et al. (2022), and Hildred et al. (2024). The implication for HR management is the need to help employees recognize the required competency standards and make use of available development channels to close competency gaps, through Competency Development Plans, coaching, mentoring, and relevant assignments.

H6: Self-Efficacy Partially Mediates the Effect of Career Decision Justice on Career Satisfaction

H6 is supported, with a partial mediation type. This partial nature reflects two complementary mechanisms: career decision justice retains a direct role in career satisfaction, while also working through the strengthening of employees' confidence in their own capabilities. First, the quality of career decision governance directly shapes employees' experience of their career journey. Second, decisions perceived as fair signal that employees' contribution and capability are fairly valued, thereby supporting the formation of Self-Efficacy. The implication is that strengthening employees' psychological capacity cannot replace the importance of justice in the career system -- the organization still needs to maintain the quality of the process and the basis for career decisions, while individual development channels serve as a complement that helps employees translate organizational experience into the confidence to keep developing. This finding is consistent with Rahman (2024), who showed the mediating role of self-efficacy in the relationship between organizational justice and career satisfaction, thereby affirming that fair HR practices and the development of employees' self-confidence should be viewed as two complementary elements.

H7: Self-Efficacy Fully Mediates the Effect of Performance Appraisal Transparency on Career Satisfaction

H7 is supported, with a full (indirect-only) mediation type: performance appraisal transparency acquires meaning for career satisfaction only when that information is linked to strengthening employees' confidence in their own capabilities. This finding shows that the managerial function of performance appraisal transparency does not stop at openness of criteria or the delivery of results -- its added value lies in the appraisal system's ability to help employees understand their achievements, development areas, and steps for building capacity. This pattern is relevant to Social Cognitive Theory from Bandura (1977) in Tavlan Soydan et al. (2022), which positions Self-Efficacy as an important cognitive mechanism in how individuals respond to information from their environment. This finding is supported by Rahman (2024) and Tavlan Soydan et al. (2022), who affirm the importance of psychological mechanisms in translating organizational experience into career evaluation. The implication is that strengthening performance appraisal transparency should be directed toward the quality of information and feedback that helps employees develop, not merely toward administrative openness.

CONCLUSION

Of the seven hypotheses tested, six were supported and one was not. Career Decision Justice has a positive effect on Career Satisfaction, both directly and through the partial mediation of Self-Efficacy. Performance Appraisal Transparency has no direct effect on Career Satisfaction, but positively effects Self-Efficacy, which fully (indirect-only) mediates that relationship. Self-Efficacy also positively effects on Career Satisfaction. Overall, these findings indicates that psychological mechanisms play an important role alongside HR management practices in linking Career Decision Justice and Performance Appraisal Transparency with Career Satisfaction.

The findings of this study are generally consistent with Rahman (2024), who demonstrated the mediating role of Self-Efficacy in the relationship between organizational justice and career satisfaction, and with Tavlan Soydan et al. (2022) regarding the association between Self-Efficacy and career satisfaction. Meanwhile, the non-significant direct effect of Performance Appraisal Transparency on Career Satisfaction provides a different perspective from the descriptive findings of Mahaputri and Yaimin (2025), who showed that employees at a public health higher education institution generally perceived performance appraisal positively and considered appraisal results supportive of career development. This difference indicates that positive perceptions of a performance appraisal system are not necessarily translated directly into satisfaction with the overall career journey, highlighting the importance of psychological mechanisms such as Self-Efficacy.

Managerially, the research results affirm the need to manage structural and psychological aspects in an integrated manner, through optimizing mechanisms already available at the Independent Public Institution without requiring a new system: (1) optimizing the objectivity and clarity of the basis for career decisions through the use of Potential Employee Group data and HR analytics; (2) strengthening the quality of specific and constructive feedback within the performance dialogue already in place; (3) optimizing the link between competency assessment results and Competency Development Plans with employees' career direction through assignments, coaching, mentoring, and training; and (4) utilizing available employee feedback channels (including the Employee Experience survey) to continuously monitor employees' career development experience.

This study is limited by its cross-sectional design and single-institution context. Future research is recommended to: (1) use a mixed-methods approach combining questionnaires, in-depth interviews, or objective HR data; (2) test other antecedents of Self-Efficacy such as leader support, organizational support, development opportunities, or mastery experience; and (3) test alternative mediators such as work engagement, perceived organizational support, or career adaptability, to identify other possible psychological or organizational mechanisms beyond Self-Efficacy.

ACKNOWLEDGMENT

The authors would like to thank the employees of the Independent Public Institution who participated in this study, as well as the Master of Management Program, Faculty of Economics and Business, Universitas Mercu Buana, for its support.

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