

The Role of Job Satisfaction in Mediating Career Development, Rewards, and Employee Well-Being on Employee Performance

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ABSTRACT

Purpose – This study aims to examine the effect of career development, rewards, and employee welfare on employee performance through job satisfaction as a mediating variable at PT Infomedia Nusantara.

Methodology/approach – This study employed a quantitative approach using a survey method. Data were collected through questionnaires distributed to 163 employees of PT Infomedia Nusantara selected using purposive sampling. The data were analyzed using Structural Equation Modeling–Partial Least Squares (SEM-PLS) with SmartPLS 4 software.

Findings – The results indicate that rewards and employee welfare have a positive and significant effect on job satisfaction, while career development has no significant effect on job satisfaction. Job satisfaction was found to have a positive and significant effect on employee performance. Furthermore, job satisfaction mediates the relationship between rewards and employee performance as well as between employee welfare and employee performance. However, job satisfaction does not mediate the relationship between career development and employee performance.

Novelty – This study contributes to the human resource management literature by examining the mediating role of job satisfaction in the relationship between career development, rewards, employee welfare, and employee performance within the Business Process Outsourcing (BPO) industry. The findings reveal that rewards and employee welfare are more influential factors in enhancing job satisfaction and employee performance than career development, providing new insights for organizations in designing effective human resource management strategies.

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INTRODUCTION

The rapid advancement of digital technology has fundamentally transformed organizational operations and workforce management practices. Organizations are increasingly required to adapt to technological innovations, automation, and evolving work systems while maintaining workforce sustainability and organizational competitiveness. In response to these challenges, Sustainable Human Resource Management (SHRM) has emerged as a strategic approach that emphasizes not only organizational

performance but also employee well-being, long-term development, and workforce sustainability (Peretz, 2024). Through this perspective, organizations are encouraged to balance business objectives with employee needs to ensure sustainable performance in an increasingly dynamic work environment.

The relevance of SHRM has become particularly evident within the Business Process Outsourcing (BPO) industry, where human resources remain the primary driver of service quality and operational effectiveness. According to Suprayitno (2024), the Indonesian BPO industry has experienced workforce growth of approximately 18% annually. However, employee turnover in the sector has reached 24%, indicating an imbalance between organizational performance demands and employee well-being. This condition highlights the importance of sustainable human resource practices in maintaining employee engagement, productivity, and organizational sustainability.

Employee performance is widely recognized as a key indicator of successful SHRM implementation. Peretz (2024) argues that organizations adopting sustainable human resource practices tend to achieve more stable employee performance because they are better able to balance organizational demands with employee needs. In the BPO sector, employee performance plays a crucial role in determining service quality, customer satisfaction, and business success. Nevertheless, maintaining high employee performance remains challenging due to workload pressures, performance targets, and continuous digital adaptation. Srinivasa (2020) reported that employees in digital BPO environments often experience psychological pressure resulting from target-based work systems and digital performance monitoring, which may negatively affect their performance.

This phenomenon can also be observed at PT Infomedia Nusantara. Internal performance evaluation data indicate that the proportion of employees categorized as having “good” performance declined from 86.3% in 2023 to 70.5% in 2025. Conversely, the proportion of employees categorized as having “poor” performance increased significantly from 8.4% to 27.0% during the same period. These findings suggest that despite the company's digital transformation initiatives, challenges remain in maintaining employee performance. Saini (2024) further explains that digitalization initiatives that are not supported by balanced human resource management systems may reduce productivity due to increased work stress and employee fatigue.

Within the SHRM framework, career development, rewards, and employee welfare are considered critical factors influencing employee performance. Career development enables employees to enhance their competencies, prepare for future responsibilities, and achieve long-term career goals (Werther & Davis dalam Al-otaibi, 2020). Previous studies have demonstrated that career development positively influences task performance and employee agility in digital work environments (Meijerink & Bondarouk, 2023). Similarly, reward systems play an essential role in motivating employees and recognizing their contributions to organizational success. Financial and non-financial rewards have been found to improve service quality, creativity, and employee performance (Maharani et al., 2023). Employee welfare is also recognized as a fundamental element of SHRM because it supports employees' physical, psychological, and social well-being, ultimately enhancing work engagement and organizational performance (Zheng et al., 2025).

However, the Employee Value Proposition (EVP) Survey conducted at PT Infomedia Nusantara revealed substantial gaps between employee expectations and organizational practices. In the career development dimension, employees reported significant discrepancies regarding career advancement opportunities and promotion pathways. Similar gaps were identified in employee welfare indicators, particularly job security and work-life balance. These findings indicate that existing human resource management practices may not fully meet employee expectations, potentially affecting their job satisfaction and performance.

Despite extensive research examining the relationship between human resource management practices and employee performance, previous studies have primarily focused on direct relationships among these

variables. Limited attention has been given to the mediating role of job satisfaction in explaining how career development, rewards, and employee welfare influence employee performance (Rinee & Noronha, 2025). Furthermore, empirical studies investigating this relationship within the Business Process Outsourcing (BPO) industry remain relatively scarce. This limitation represents a theoretical gap in the existing literature.

From a practical perspective, the declining performance trend at PT Infomedia Nusantara suggests that improvements in operational efficiency through digital transformation have not been accompanied by equally effective sustainable human resource practices. Therefore, understanding the mechanisms through which SHRM dimensions influence employee performance has become increasingly important. Accordingly, this study aims to examine the effects of career development, rewards, and employee welfare on employee performance through job satisfaction as a mediating variable at PT Infomedia Nusantara. This study contributes to the Sustainable Human Resource Management literature by providing empirical evidence regarding the mediating role of job satisfaction in the relationship between SHRM practices and employee performance within the Indonesian BPO industry.

LITERATURE REVIEW

Sustainable Human Resource Management (SHRM)

Sustainable Human Resource Management (SHRM) refers to human resource management practices that aim to achieve organizational objectives while simultaneously maintaining employee well-being, long-term employability, and organizational sustainability. According to Peretz (2024), SHRM represents an evolution of traditional human resource management by integrating economic, social, and human sustainability objectives into workforce management practices. Within digital organizations, SHRM emphasizes balancing productivity demands with employee welfare, career growth, and long-term organizational performance. Consequently, SHRM has become an important framework for organizations operating in highly dynamic and technology-driven environments, including the Business Process Outsourcing (BPO) industry.

Career Development

Career development refers to a systematic process through which employees improve their competencies, skills, and career opportunities within an organization. Werther and Davis (dalam Al-otaibi, 2020) define career development as a continuous process that enables individuals to plan, evaluate, and achieve long-term career goals. Effective career development practices not only support employee growth but also increase motivation, organizational commitment, and job satisfaction. In digital organizations, career development plays a crucial role in helping employees adapt to technological changes and emerging job requirements.

Reward

Reward is a form of organizational appreciation provided to employees in return for their contributions and achievements. According to Milkovich et al. (dalam Ismail et al., 2017), rewards consist of both financial and non-financial components, including salary, incentives, recognition, career opportunities, and flexible work arrangements. Modern organizations increasingly recognize the importance of non-financial rewards because employees seek not only monetary compensation but also recognition, meaningful work experiences, and opportunities for personal growth. Therefore, an effective reward system is expected to enhance employee motivation, satisfaction, and performance.

Employee Well-Being

Employee well-being refers to employees' overall physical, psychological, and social condition within the workplace. Simone and Franco (2023) describe employee well-being as a positive state in which

employees experience healthy working conditions, psychological comfort, and supportive social relationships. In digital work environments characterized by high workloads and performance pressures, employee well-being becomes increasingly important. Organizations that actively support employee well-being tend to experience higher engagement, lower turnover intention, and improved performance outcomes.

Job Satisfaction

Job satisfaction is defined as an employee's positive emotional response toward their job and work environment. According to Kotler and Keller (dalam Puspitaweni et al., 2021), satisfaction emerges when perceived organizational outcomes meet or exceed employee expectations. Employees who experience high levels of job satisfaction generally demonstrate stronger commitment, greater motivation, and better performance. Within the SHRM framework, job satisfaction functions as an important mechanism linking human resource practices to organizational outcomes.

Employee Performance

Employee performance refers to the degree to which employees successfully accomplish assigned tasks and contribute to organizational objectives. Robbins and Judge (dalam Kumar et al., 2022) explain that employee performance reflects both the quality and quantity of work achieved according to established standards. In service-based organizations such as BPO companies, employee performance is a critical determinant of service quality, customer satisfaction, and organizational competitiveness. Therefore, understanding factors that influence employee performance remains an important concern for both researchers and practitioners.

Research Framework

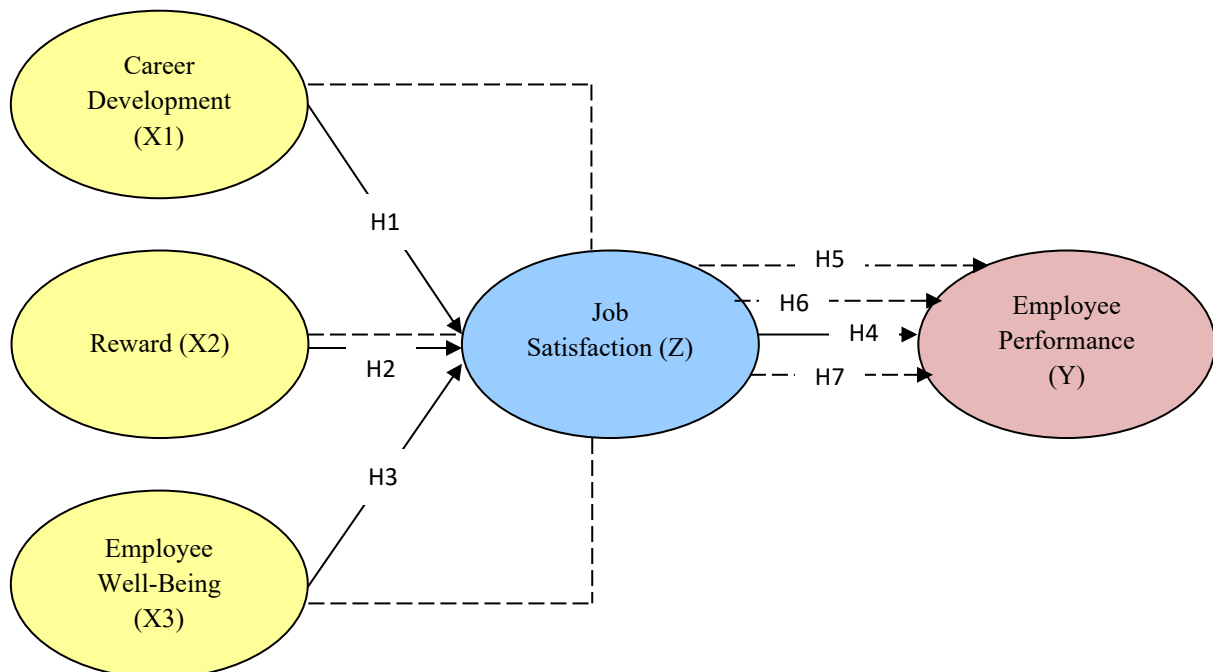


Figure 1. Research Framework

Hypotheses Development

The Effect of Career Development on Job Satisfaction (H1)

Career development provides employees with opportunities to improve competencies, acquire new skills, and achieve long-term career goals within an organization. Employees who perceive clear career pathways and growth opportunities tend to experience higher levels of job satisfaction because they feel

valued and supported by the organization. Previous studies have demonstrated that career development positively influences job satisfaction by increasing employee motivation and organizational commitment (Perizade, 2023).

The Effect of Rewards on Job Satisfaction (H2)

Rewards represent organizational appreciation for employee contributions and achievements. Effective reward systems consist of both financial and non-financial rewards, including salary, incentives, recognition, and development opportunities. Employees who perceive rewards as fair and meaningful are more likely to feel satisfied with their jobs. Previous studies have shown that rewards significantly improve employee satisfaction by enhancing motivation and feelings of appreciation (Shuxia et al., 2025).

The Effect of Employee Well-being on Job Satisfaction (H3)

Employee well-being reflects the extent to which employees experience physical, psychological, and social comfort in the workplace. Organizations that support employee well-being through work-life balance initiatives, supportive work environments, and employee assistance programs tend to create more satisfied employees. Zheng (2025) found that employee well-being significantly contributes to job satisfaction because employees feel more secure, comfortable, and engaged in their work.

The Effect of Job Satisfaction on Employee Performance (H4)

Job satisfaction is considered an important predictor of employee performance because satisfied employees tend to demonstrate higher commitment, motivation, and work engagement. Employees who experience positive feelings toward their jobs are generally more willing to contribute beyond minimum performance requirements. Previous studies have confirmed that job satisfaction positively affects employee performance across various organizational contexts (Farouk, 2022).

The Mediating Role of Job Satisfaction in the Relationship Between Career Development and Employee Performance (H5)

Career development may improve employee performance by increasing employees' satisfaction with their jobs. When organizations provide opportunities for growth and advancement, employees are more likely to feel satisfied and motivated to perform better. Previous studies suggest that job satisfaction acts as an important mechanism through which career development influences employee performance (Cayrat & Boxall, 2023).

The Mediating Role of Job Satisfaction in the Relationship Between Rewards and Employee Performance (H6)

Rewards can improve employee performance by creating positive perceptions of fairness, recognition, and organizational support. Employees who receive appropriate rewards tend to experience higher satisfaction, which subsequently encourages better performance. Previous research has demonstrated that job satisfaction mediates the relationship between rewards and employee performance (Bakker & Demerouti, 2017).

The Mediating Role of Job Satisfaction in the Relationship Between Employee Well-being and Employee Performance (H7)

Employee well-being contributes to performance by creating a healthy and supportive work environment. Employees who experience higher levels of well-being generally feel more satisfied with their jobs and are consequently more productive. Previous studies indicate that job satisfaction serves as an important mediator linking employee well-being to employee performance (Zheng et al., 2025).

METHOD

This study employed a quantitative research approach to examine the relationships among career development, rewards, employee well-being, job satisfaction, and employee performance at PT Infomedia Nusantara. Quantitative research was considered appropriate because this study aimed to test hypotheses and analyze causal relationships among variables using statistical methods.

The population of this study consisted of employees of PT Infomedia Nusantara. The sample was selected using a purposive sampling technique to ensure that respondents met specific criteria relevant to the research objectives. A total of 163 employees participated in this study. Data were collected through a structured questionnaire distributed online using a five-point Likert scale ranging from 1 “strongly disagree” to 5 “strongly agree”.

This study involved five variables, namely career development, rewards, employee well-being, job satisfaction, and employee performance. Career development was measured using indicators related to career planning, career opportunities, and competency development. Rewards were measured through financial and non-financial reward indicators. Employee well-being was assessed through indicators related to job security, work-life balance, and workplace support. Job satisfaction was measured based on employees’ perceptions and feelings toward their work, while employee performance was evaluated through indicators of work quality, work quantity, effectiveness, and responsibility.

Data analysis was conducted using Structural Equation Modeling–Partial Least Squares (SEM-PLS) with SmartPLS 4 software. SEM-PLS was selected because it is suitable for predictive research models involving multiple latent variables and mediation relationships. The analysis consisted of two stages. The first stage involved evaluating the measurement model (outer model) through tests of convergent validity, discriminant validity, and construct reliability. The second stage involved evaluating the structural model (inner model) through coefficient of determination (R^2), path coefficient analysis, and hypothesis testing using the bootstrapping procedure. Hypotheses were considered significant when the T-statistic value exceeded 1.96 and the p-value was below 0.05.

RESULT AND DISCUSSION

Respondent Characteristics

A total of 163 employees of PT Infomedia Nusantara participated in this study. The respondents represented various demographic characteristics, including differences in gender, age, educational background, length of service, and organizational divisions. The majority of respondents were within the productive working-age group and had educational qualifications ranging from diploma to postgraduate levels. In addition, respondents possessed varying lengths of work experience, reflecting diverse perspectives regarding career development, rewards, employee well-being, job satisfaction, and employee performance within the organization. These characteristics provide a comprehensive representation of employees working in the Business Process Outsourcing (BPO) industry and support a broader understanding of the factors influencing job satisfaction and employee performance at PT Infomedia Nusantara.

Table 1. Respondent Description

Characteristics	Category	Frequency	Presentase
Gender	Man	116	71.17%
	Woman	47	28.83%
	Total	163	100%
Age	< 25 years old	1	0.61%
	25 - 30 years old	8	4.91%

Length of Work	31 - 40 years old	50	30.67%
	41 - 50 years old	79	48.47%
	> 50 years old	25	15.34%
	Total	163	100%
	1 - 2 year	1	0.61 %
	2 - 3 year	2	1.23 %
	4 - 5 year	11	6.75 %
Education	> 5 year	149	91.41 %
	Total	163	100%
	Diploma	5	3.07%
	S1	122	74.85%
	S2/S3	36	22.09%
	Total	163	100%

Analysis Results

Outer Model

Table 2. Measurement Model Assessment

Construct	Indicator	Loading	AVE	CR	Cronbach's Alpha
Career Development (X1)	X1_1	0,909	0,754	0,941	0,934
	X1_2	0,920			
	X1_3	0,726			
	X1_4	0,902			
	X1_5	0,876			
	X1_6	0,862			
Reward (X2)	X2_1	0,764	0,688	0,940	0,935
	X2_3	0,871			
	X2_4	0,756			
	X2_6	0,812			
	X2_7	0,862			
	X2_8	0,883			
Employee Well-Being (X3)	X2_9	0,854	0,733	0,920	0,908
	X2_10	0,772			
	X3_1	0,843			
	X3_2	0,827			
	X3_4	0,872			
	X3_5	0,873			
Job Satisfaction (Z)	X3_6	0,826	0,632	0,924	0,915
	Z1_3	0,795			
	Z1_4	0,799			
	Z1_5	0,832			
	Z1_6	0,728			
	Z1_7	0,811			
Employee Performance (Y)	Z1_8	0,719	0,761	0,977	0,976
	Z1_9	0,801			
	Z1_10	0,766			
	Y1_1	0,894			
	Y1_2	0,899			
	Y1_3	0,790			
	Y1_4	0,905			
	Y1_5	0,887			

Y1_6	0,920
Y1_7	0,893
Y1_8	0,865
Y1_9	0,816
Y1_10	0,876
Y1_11	0,840
Y1_12	0,841
Y1_13	0,896
Y1_14	0,882

The measurement model was evaluated through convergent validity, internal consistency reliability, and discriminant validity tests. As presented in Table 2, all indicator loadings exceeded the recommended threshold of 0.70, indicating satisfactory convergent validity. Furthermore, all constructs achieved Average Variance Extracted (AVE) values above 0.50, Composite Reliability (CR) values above 0.70, and Cronbach's Alpha values above 0.70, demonstrating adequate reliability and construct validity. As shown in Table 3, the Fornell-Larcker criterion confirmed that the square root of AVE for each construct was greater than the correlations with other constructs. Additionally, Table 4 shows that all Heterotrait-Monotrait Ratio (HTMT) values were below the recommended threshold of 0.90, confirming satisfactory discriminant validity. Therefore, the measurement model was considered valid and reliable for further structural model analysis.

Table 3. Fornell-Larcker Criterion

Variables	Career Development	Reward	Employee Well-Being	Job Satisfaction	Employee Performance
Career Development	0,868				
Reward	0,794	0,829			
Employee Well-Being	0,683	0,777	0,856		
Job Satisfaction	0,590	0,740	0,706	0,795	
Employee Performance	0,327	0,461	0,469	0,670	0,872

Table 3 presents the results of the discriminant validity assessment using the Fornell-Larcker criterion. The results indicate that the square root of the Average Variance Extracted (AVE) for each construct, shown on the diagonal, is greater than the correlations between constructs. Specifically, the square root of AVE values ranged from 0.795 to 0.872, exceeding the corresponding inter-construct correlations. These findings confirm that each construct demonstrates adequate discriminant validity and is empirically distinct from the other constructs included in the research model.

Table 4. Heterotrait-Monotrait Ratio (HTMT)

Variables	Career Development	Reward	Employee Well-Being	Job Satisfaction	Employee Performance
Career Development	-				
Reward	0,849	-			
Employee Well-Being	0,740	0,843	-		
Job Satisfaction	0,645	0,806	0,777	-	

Employee Performance	0,346	0,489	0,497	0,708	-
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Table 4 presents the results of the Heterotrait-Monotrait Ratio (HTMT) analysis. The findings show that all HTMT values are below the recommended threshold of 0.90, ranging from 0.346 to 0.849. These results indicate that the constructs included in this study possess satisfactory discriminant validity and that each construct measures a distinct conceptual phenomenon. Therefore, the discriminant validity requirements of the measurement model have been successfully fulfilled.

Inner Model

Table 5. Coefficient of Determination

Influence Between Variables	R²
Job Satisfaction	0,593
Employee Performance	0,449

Table 5 presents the coefficient of determination (R^2) values for the endogenous variables in the research model. The results show that Career Development, Reward, and Employee Well-Being explain 59.3% of the variance in Job Satisfaction ($R^2 = 0.593$), while the remaining 40.7% is influenced by other variables outside the model. Furthermore, Job Satisfaction explains 44.9% of the variance in Employee Performance ($R^2 = 0.449$), indicating that 55.1% of employee performance is explained by factors not included in this study. These findings suggest that the model has a moderate explanatory power in predicting Job Satisfaction and Employee Performance.

Table 6. Predictive Relevance

Influence Between Variables	Q²
Job Satisfaction	0,546
Employee Performance	0,430

Table 6 presents the predictive relevance (Q^2) values of the research model. The results show that Job Satisfaction obtained a Q^2 value of 0.546, while Employee Performance obtained a Q^2 value of 0.430. Since both values are greater than zero, the model demonstrates satisfactory predictive relevance. These findings indicate that the proposed model has adequate predictive capability in explaining and predicting Job Satisfaction and Employee Performance among employees of PT Infomedia Nusantara.

Table 7. Effect Size

Influence Between Variables	f-Square
H1: Career Development → Job Satisfaction	0,003
H2: Reward → Job Satisfaction	0,177
H3: Employee Well-Being → Job Satisfaction	0,110
H4: Job Satisfaction → Employee Performance	0,814

Table 7 presents the effect size (f^2) results of the structural model. The effect of Career Development on Job Satisfaction obtained an f^2 value of 0.003, indicating no effect. The effect of Reward on Job Satisfaction obtained an f^2 value of 0.171, indicating a moderate effect. Employee Well-Being on Job

The Role of Job Satisfaction in Mediating Career Development, Rewards, and Employee Well-Being on Employee Performance

Satisfaction obtained an f^2 value of 0.110, indicating a small effect. Furthermore, the effect of Job Satisfaction on Employee Performance obtained an f^2 value of 0.814, indicating a large effect. These findings suggest that Job Satisfaction has the strongest contribution to Employee Performance, while Reward and Employee Well-Being contribute to Job Satisfaction with moderate and small effects, respectively.

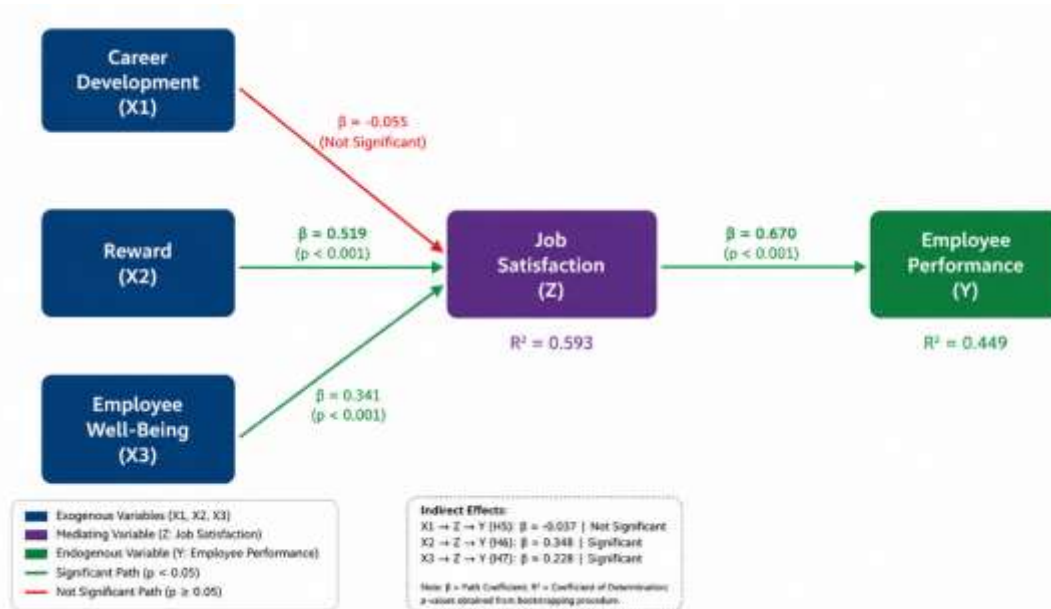


Figure 2. Structural Model (Inner Model)

Figure 2 presents the structural model (inner model) generated using SmartPLS 4. The model illustrates the relationships among Career Development, Reward, Employee Well-Being, Job Satisfaction, and Employee Performance. The structural model shows that Reward ($\beta = 0.519$) and Employee Well-Being ($\beta = 0.341$) have positive effects on Job Satisfaction, while Job Satisfaction has a strong positive effect on Employee Performance ($\beta = 0.670$). In contrast, Career Development demonstrates a negative and insignificant relationship with Job Satisfaction ($\beta = -0.055$). Furthermore, the coefficient of determination indicates that Career Development, Reward, and Employee Well-Being explain 59.3% of the variance in Job Satisfaction ($R^2 = 0.593$), while Job Satisfaction explains 44.9% of the variance in Employee Performance ($R^2 = 0.449$). These findings indicate that the proposed structural model has moderate explanatory power and provides empirical support for the relationships among the constructs examined in this study.

Hypothesis Testing

Table 8. Direct Effect Test

Influence Between Variables	Original Sample (O)	Sample Average (M)	Standard Deviation (STDEV)	T Statistics	P Values	Result
H1: Career Development $\rightarrow$ Job Satisfaction	-0,055	-0,056	0,086	0,642	0,521	Rejected
H2: Reward $\rightarrow$ Job Satisfaction	0,519	0,511	0,112	4,643	0,000	Accepted

H3: Employee Well-Being → Job Satisfaction	0,341	0,348	0,109	3,127	0,002	Accepted
H4: Job Satisfaction → Employee Performance	0,670	0,669	0,052	12,917	0,000	Accepted

Table 8 presents the results of the direct effect hypothesis testing. The findings indicate that Reward and Employee Well-Being have significant positive effects on Job Satisfaction, while Career Development does not significantly affect Job Satisfaction. Furthermore, Job Satisfaction has a significant positive effect on Employee Performance.

Table 9. Indirect Effect Test

Influence Between Variables	Original Sample (O)	Sample Average (M)	Standard Deviation (STDEV)	T Statistics	P Values	Result
H5: Career Development → Z → Employee Performance	-0,037	-0,037	0,058	0,641	0,522	Rejected
H6: Reward → Z → Employee Performance	0,348	0,341	0,077	4,532	0,000	Accepted
H7: Employee Well-Being → Z → Employee Performance	0,228	0,233	0,077	2,952	0,003	Accepted

Table 9 presents the results of the mediation analysis. The findings indicate that Job Satisfaction significantly mediates the relationships between Reward and Employee Performance as well as Employee Well-Being and Employee Performance. However, Job Satisfaction does not mediate the relationship between Career Development and Employee Performance.

Discussion

The results of this study provide empirical evidence regarding the role of job satisfaction in mediating the relationships between career development, rewards, employee well-being, and employee performance within the context of the Business Process Outsourcing (BPO) industry. The findings indicate that not all Sustainable Human Resource Management (SHRM) practices contribute equally to employee satisfaction and performance outcomes. As shown in Tables 8 and 9, rewards and employee well-being emerged as significant predictors of job satisfaction, while career development did not significantly influence job satisfaction. Furthermore, job satisfaction was found to significantly affect employee performance and mediate the relationships between rewards, employee well-being, and employee performance.

As presented in Table 8, career development was found to have no significant effect on job satisfaction ($\beta = -0.055$; $t = 0.642$; $p = 0.521$). This finding indicates that career development practices implemented at PT Infomedia Nusantara have not been perceived by employees as factors capable of increasing their satisfaction with work. One possible explanation is related to the demographic characteristics of the respondents. The majority of respondents were employees aged between 41 and 50 years and had more than five years of work experience. Employees in this stage of their careers generally expect clear career pathways, transparent promotion mechanisms, and structured career planning. However, the descriptive findings revealed that individual career planning was perceived as one of the weakest aspects of career development within the organization. Consequently, employees may perceive career development initiatives as insufficiently aligned with their career expectations and aspirations.

This finding differs from the results reported by Meijerink and Bondarouk (2023), who found that career development and human resource development practices positively influence employee satisfaction and adaptability in digital organizations. Similarly, previous studies conducted in traditional organizational contexts have consistently reported positive relationships between career development and employee satisfaction. Nevertheless, the findings of this study support the argument proposed by Cayrat and Boxall (2023), who suggested that career development practices may fail to influence employee attitudes when employees perceive a lack of transparency, fairness, and long-term career opportunities. Therefore, the effectiveness of career development practices depends not only on the existence of development programs but also on employees' perceptions regarding career progression opportunities and organizational support.

The findings presented in Table 8 further demonstrate that rewards have a significant positive effect on job satisfaction ($\beta = 0.519$; $t = 4.643$; $p < 0.001$). This result indicates that employees who perceive organizational rewards as fair and meaningful tend to experience higher levels of job satisfaction. The findings suggest that reward systems continue to play an essential role in shaping employee attitudes, particularly in service-oriented industries such as the BPO sector. Employees who receive adequate financial compensation, recognition, and appreciation are more likely to develop positive emotional responses toward their organizations.

The findings of this study are consistent with the Job Demands-Resources (JD-R) framework proposed by Bakker and Demerouti (2017), which argues that organizational resources, including rewards and recognition systems, contribute significantly to employee motivation and satisfaction. The results are also in line with previous international studies that demonstrated that financial and non-financial rewards positively influence employee satisfaction, organizational commitment, and work engagement. In the context of PT Infomedia Nusantara, the significant influence of rewards on job satisfaction suggests that employees place considerable value on organizational appreciation and recognition. However, descriptive analysis revealed that employees perceived the transparency of reward allocation mechanisms

relatively negatively, indicating that organizations should improve communication and fairness perceptions related to reward administration.

As shown in Table 8, employee well-being also demonstrated a significant positive effect on job satisfaction ($\beta = 0.341$; $t = 3.127$; $p = 0.002$). This finding confirms the importance of employee well-being as a key component of Sustainable Human Resource Management practices. Employees who perceive that their organizations provide adequate support for physical, psychological, and social well-being tend to develop stronger positive attitudes toward their work and organization. In highly demanding and digitally driven work environments such as the BPO industry, employee well-being becomes increasingly important because employees are frequently exposed to performance pressure, technological adaptation, and workload challenges.

The findings support previous international studies conducted by Zheng et al. (2025), which found that employee well-being significantly contributes to employee satisfaction, engagement, and organizational performance. Similarly, De Simone and Franco (2023) argued that employee well-being creates positive psychological experiences that enhance job satisfaction and organizational commitment. Although employee well-being was generally evaluated positively by respondents, the descriptive findings indicated that work-life balance received relatively lower evaluations than other dimensions. This finding suggests that organizations operating in digital environments should pay greater attention to workload management, flexibility, and employee psychological support programs to sustain employee satisfaction and performance.

Furthermore, the results presented in Table 8 indicate that job satisfaction has a significant positive effect on employee performance ($\beta = 0.670$; $t = 12.917$; $p < 0.001$). Among all relationships examined in this study, job satisfaction demonstrated the strongest effect size on employee performance. This finding indicates that employees who experience positive emotional and psychological conditions at work tend to demonstrate higher levels of productivity, commitment, and organizational contribution. Within the Sustainable Human Resource Management framework, job satisfaction functions as a strategic mechanism linking organizational practices with employee performance outcomes.

The findings are consistent with previous international studies that identified job satisfaction as one of the strongest predictors of employee performance and organizational effectiveness. Bakker and Demerouti (2017) emphasized that satisfied employees generally possess greater motivation, higher engagement, and stronger psychological attachment to their organizations. Similarly, recent studies conducted within digital organizations have confirmed that employee satisfaction significantly contributes to service quality, innovation, and organizational

sustainability. Therefore, organizations seeking to improve employee performance should prioritize strategies aimed at enhancing employee satisfaction.

The mediation analysis presented in Table 9 revealed that job satisfaction does not mediate the relationship between career development and employee performance ($\beta = -0.037$; $t = 0.641$; $p = 0.522$). This finding is consistent with the insignificant relationship observed between career development and job satisfaction. The result suggests that career development initiatives implemented within PT Infomedia Nusantara have not yet been sufficiently effective in creating positive employee perceptions that subsequently contribute to improved performance outcomes. This finding contrasts with previous studies that identified job satisfaction as a significant mediating mechanism between human resource practices and employee performance. The discrepancy may be explained by differences in organizational context, employee demographics, and industry characteristics.

Conversely, the findings presented in Table 9 indicate that job satisfaction significantly mediates the relationship between rewards and employee performance ($\beta = 0.348$; $t = 4.532$; $p < 0.001$). This finding suggests that employees who perceive organizational rewards positively tend to experience greater job satisfaction, which subsequently enhances their work performance. Similarly, job satisfaction was found to significantly mediate the relationship between employee well-being and employee performance ($\beta = 0.228$; $t = 2.952$; $p = 0.003$). These findings support the fundamental assumptions of Sustainable Human Resource Management theory, which emphasizes that organizations achieve sustainable performance outcomes when they simultaneously prioritize employee welfare, employee satisfaction, and organizational objectives.

Overall, the findings of this study contribute to the Sustainable Human Resource Management literature by demonstrating that rewards and employee well-being are more influential factors than career development in improving employee satisfaction and performance within the Indonesian BPO industry. These findings provide important practical implications for organizations undergoing digital transformation, suggesting that investments in employee well-being and fair reward systems may generate stronger organizational outcomes than traditional career development programs alone. Therefore, organizations should adopt more holistic and employee-centered human resource management strategies to achieve sustainable organizational performance.

CONCLUSION

This study aimed to examine the effects of career development, rewards, and employee well-being on employee performance through job satisfaction as a mediating variable among employees of PT Infomedia Nusantara within the context of Sustainable Human Resource Management (SHRM). The findings indicate that rewards and employee well-being are significant determinants of job satisfaction, whereas career development does not significantly influence job satisfaction. Furthermore, job satisfaction was found to have a positive and significant effect on employee performance. The mediation analysis revealed that job satisfaction significantly mediates the relationships between rewards and

employee performance as well as between employee well-being and employee performance. However, job satisfaction was not found to mediate the relationship between career development and employee performance. Therefore, the findings confirm that employee satisfaction serves as an important mechanism through which sustainable human resource practices influence employee performance outcomes.

The findings of this study support previous international studies emphasizing the importance of employee well-being and reward systems in enhancing employee satisfaction and organizational performance. Consistent with the findings of Bakker and Demerouti (2017) and Zheng et al. (2025), this study confirms that organizational practices that support employee welfare and provide fair rewards contribute significantly to employee satisfaction and performance improvement. However, the finding that career development does not significantly affect job satisfaction differs from previous studies conducted in traditional organizational settings, suggesting that employee perceptions of career development may vary depending on organizational context, digital transformation processes, and employee expectations.

From a theoretical perspective, this study contributes to the Sustainable Human Resource Management literature by providing empirical evidence that employee well-being and rewards play a more dominant role than career development in improving employee satisfaction and performance within the Business Process Outsourcing (BPO) industry. From a practical perspective, the findings suggest that organizations undergoing digital transformation should prioritize employee-centered human resource practices, particularly those related to reward systems, employee well-being, and job satisfaction enhancement strategies.

Future studies are recommended to incorporate additional variables, such as employee engagement, organizational commitment, leadership style, work motivation, organizational culture, and psychological well-being, to obtain a more comprehensive understanding of employee performance determinants. Furthermore, future research should consider employing mixed-methods or longitudinal research designs and investigating different industrial sectors to improve the generalizability and robustness of the findings.

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The Role of Job Satisfaction in Mediating Career Development, Rewards, and Employee Well-Being on Employee Performance

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