The Influence of Compensation and Career Development on Employees' Organizational Commitment in Class III UPBU Offices in the Merauke Region

Endah Iswahyuni Rina Astuti¹, Nurmala Pangaribuan², Elly Noer³
¹Faculty of Economics and Business, Universitas Terbuka, Indonesia
²Faculty of Science and Technology, Universitas Terbuka, Indonesia
³Faculty of Economics and Business, Universitas Musamus, Indonesia
email: endah.noder@gmail.com, nurmala@ecampus.ut.ac.id, noerelly6968@gmail.com

Abstract:
This quantitative research with a causality analysis approach investigates the effects of compensation, career development, and job satisfaction on organizational commitment. A sample of 148 Class III UPBU office employees in the Merauke region participated. Data was collected through questionnaires on a 5-point Likert scale and analyzed using path analysis. The results showed that compensation positively affects job satisfaction but not directly impact organizational commitment. Career development was also found to have a positive effect on both job satisfaction and organizational commitment. Finally, job satisfaction was positively linked to organizational commitment and mediated the relationship between compensation/career development and organizational commitment.

Keywords:
Organizational Commitment, Job Satisfaction, Compensation, Career Development.

I. Introduction

Airports, as crucial infrastructure, contribute to economic prosperity and community development by improving connectivity, creating jobs, facilitating trade, and promoting tourism (Button et al., 2010; Zhang et al., 2022). This vital role as a government agency necessitates high levels of security and measurable service quality (Ergün et al., 2017). To achieve this, airport employees must be highly committed and work collaboratively to achieve agreed-upon goals (Kirschenbaum, 2015).

This study investigates factors influencing low organizational commitment among employees at the Merauke Region Class III UPBU office, as evidenced by the high number of employee transfers to other Ministry of Transportation organizations. Based on a review of previous research and initial survey analysis, compensation, career development, and job satisfaction are identified as potential factors influencing the level of organizational commitment.

Compensation, which refers to the remuneration given by an organization to its employees as a reward for their hard work (Naidu & Satyanarayana, 2018), plays a significant role in employee satisfaction. Employees who are unhappy with the compensation they receive are more likely to quit and seek better-paying opportunities elsewhere (Silaban & Syah, 2018). High employee turnover is a complex problem for organizations and is significantly influenced by employee satisfaction regarding compensation (Lyons & Bandura, 2019).
Beyond compensation, organizations need to design a good career development system to ensure employees continuously develop competencies and knowledge, thereby contributing to organizational growth (Jacobs & Washington, 2010). Research shows that career development can increase positive working attitudes, including employee commitment to the organization (Kohlmeyer et al., 2017).

Job satisfaction is another important factor influencing organizational commitment. Existing literature shows that prioritizing employee satisfaction benefits both individuals and the organization as a whole (Akdere & Egan, 2020). In addition, dissatisfied employees are less likely to stay committed to the organization (Yang et al., 2011). Therefore, this research examines job satisfaction as a factor that potentially mediates the relationship between compensation/career development and organizational commitment.

Although several researchers have found and supported the positive influence of compensation (Aboramadan et al., 2020; Cherif, 2020), career development (Hamzah et al., 2020; Kohlmeyer et al., 2017), and job satisfaction (Bashir & Gani, 2020) on organizational commitment, some studies do not support these findings (Kaya & Ceylan, 2014; Mahmood et al., 2019; Taba, 2018). This indicates a research gap and provides an opportunity for further research to determine the influence of these three factors on organizational commitment.

This research focuses on analyzing how compensation, career development, and job satisfaction influence organizational commitment within public sector organizations, particularly among employees working at UPBU Class III Merauke Region. The study aims to deliver novel valuable contributions, both theoretically and practically. By examining these factors in the context of public sector airport management, the research will add to the existing body of knowledge on how they interact and impact employee commitment in the specific setting of organizations that manage airports.

Little research has been done to understand what factors influence organizational commitment within UPBUs in Indonesia. Existing studies tend to focus more on employee performance within UPBU offices, or they zoom in on a single UPBU office (Christiana, 2017). This research takes a different approach by examining nine Class III UPBUs across the Merauke Region. By looking at a broader sample, this study aims to provide a more representative picture of organizational commitment within UPBUs of the same class and region.

II. Review of Literature

2.1 Organizational Commitment

Organizational commitment refers to an employee's willingness to contribute to the organization's goals (Cherif, 2020). Highly committed employees are typically motivated, engaged, and dedicated to the organization's success (Sundaray, 2011). This translates into positive work behaviors – proactive problem-solving, collaboration, and innovation – which ultimately benefit the organization's performance (Zhou & Liu, 2022).

a. Job Satisfaction

Job satisfaction reflects how employees feel about their work based on their evaluation of work experiences, which leads to positive emotions when things are fulfilling (Cooper & Locke, 2000). The key factor is a good match between the job itself and what employees value. The more a job aligns with individual preferences, the higher the satisfaction (Cottrell &
Barrett, 2016). On the other hand, a mismatch between job features and what employees find important leads to lower satisfaction (Shaw et al., 2000).

b. Compensation

Compensation encompasses both financial rewards (salaries, bonuses) and various benefits packages offered by an organization. It serves as a strategic tool to attract, retain, and motivate employees by offering competitive and fair compensation for their contributions (Osibanjo et al., 2014). Organizations need to design and manage effective compensation programs to ensure that they be perceived as fair and transparent by employees, while also aligning with the organization’s goals and supporting its specific workforce needs (Chong & Law, 2016).

c. Career development

Career development encompasses opportunities that signal upward mobility within an organization (Özbilgin & Healy, 2004). The presence of well-defined career development pathways has been shown to positively impact both job satisfaction and employee retention (Duffield et al., 2014). By implementing appropriate career development programs, organizations can alleviate employee anxiety and frustration associated with limited growth prospects. This, in turn, fosters more positive employee attitudes towards the organization and their own professional trajectory (Chen et al., 2004).

2.2 Hypothesis Development

a. Compensation and Job Satisfaction

Financial rewards, or compensation, are well-documented to significantly influence employee attraction, motivation, job satisfaction, and retention (Chinyio et al., 2018). Studies have consistently demonstrated a positive correlation between compensation and employee job satisfaction (Aman-Ullah et al., 2023). To foster a satisfied, committed, and productive workforce, organizations should prioritize offering fair and competitive compensation packages (Mohd Nasurdin et al., 2020). Based on this premise, the following hypothesis is proposed:
H1: Compensation positively affects job satisfaction.

b. Career Development and Job Satisfaction

Career development programs in organizations provide employees with opportunities for skill development, advancement, and personal fulfilment (McDonald & Hite, 2005). Research consistently highlights a positive association between career development and employee job satisfaction (Permana et al., 2021). When employees perceive their organization as valuing and supporting their professional growth, it enhances their job satisfaction and commitment (Harter et al., 2002). Based on this relationship, the following hypothesis is proposed:
H2: Career development positively affects job satisfaction.

c. Job Satisfaction and Organizational Commitment

High job satisfaction can contribute to a positive organizational work environment (Taba, 2018). Research has consistently demonstrated a positive relationship between job satisfaction and organizational commitment (Bashir & Gani, 2020; Cherif, 2020). Employees who experience fulfillment and satisfaction in their roles tend to exhibit greater loyalty, engagement, and a willingness to exert extra effort for the organization’s benefit (Abu-Shamaa et al., 2015). Based on this established link, the following hypothesis is proposed:
H3: Job satisfaction positively affects organizational commitment.
d. Compensation and Organizational Commitment

Competitive compensation is crucial for attracting and retaining top talent. Employees are more likely to remain with organizations that recognize their contributions through fair and competitive rewards (Shafiq et al., 2013). Research supports a positive association between compensation and organizational commitment (Al Adresi & Darun, 2017). A well-structured compensation system can serve as a tool to motivate high performance and foster organizational commitment (Aladwan et al., 2015). Based on this premise, the following hypothesis is proposed:

H4: Compensation positively affects organizational commitment.

e. Career Development and Organizational Commitment

Career development programs provide employees with a roadmap for potential career paths within the organization (Baruch, 2004). Research consistently demonstrates a positive link between career development opportunities and organizational commitment (Hamzah et al., 2020; Knezović & Greda, 2021). Employees who perceive clear pathways for growth and advancement tend to exhibit higher levels of commitment to their organizations (Hamzah et al., 2020). Based on this relationship, the following hypothesis is proposed:

H5: Career development positively affects organizational commitment.

f. Mediating Role of Job Satisfaction

Compensation plays a significant role in shaping employee perceptions of fairness and value within their work roles (Sady et al., 2015). Research suggests that job satisfaction acts as a mediator in the relationship between both compensation (Ibrahim & Boerhaneoddin, 2010; Nasution et al., 2019) and career development (Ikasari et al., 2022) on organizational commitment. When employees perceive their efforts are adequately compensated, it can lead to increased job satisfaction (Williams et al., 2008). In turn, satisfied employees are more likely to develop stronger emotional attachments to their organizations, ultimately resulting in higher levels of organizational commitment (Jones & Kim, 2011). In addition to compensation, career development programs that provide employees with opportunities for growth, advancement, and skill enhancement can contribute to job satisfaction (Yarbrough et al., 2016). When employees feel valued by the organization's investment in their professional development, it fosters a sense of fulfillment, motivation, and a desire for continued employment (Kaya & Ceylan, 2014). Based on this theoretical framework, the following hypotheses are proposed:

H6: Compensation positively affects organizational commitment, mediated by job satisfaction.

H7: Career development positively affects organizational commitment, mediated by job satisfaction.

A visual representation of this research model is depicted in Figure 1.
This study employs a quantitative research approach with a causal analysis design. Data collection involved distributing questionnaires to all 148 employees working at Class III Airport Management Units (UPBUs) across the Merauke Region. The questionnaire utilized a 5-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). The measurement of each variable was adapted from prior research, as detailed in Table 1. Data analysis will be conducted using path analysis. Prior to path analysis, the data will undergo rigorous assessments for validity, reliability, and adherence to classical assumptions. IBM SPSS version 24 will be used for data processing. Data analysis will be conducted using path analysis. Prior to path analysis, the data will undergo rigorous assessments for validity, reliability, and adherence to classical assumptions. IBM SPSS version 24 will be used for data processing.

Table 1. Variable names, number of indicators, and research adopted

<table>
<thead>
<tr>
<th>Variable</th>
<th>Number of Indicators</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensation</td>
<td>11</td>
<td>Williams et al. (2008)</td>
</tr>
<tr>
<td>Career Development</td>
<td>10</td>
<td>Adekola (2011)</td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>10</td>
<td>Smith et al. (1969)</td>
</tr>
<tr>
<td>Organizational Commitment</td>
<td>10</td>
<td>Meyer dan Herscovitch (2001)</td>
</tr>
</tbody>
</table>

IV. Results and Discussion

Questionnaires were distributed to all 148 employees working at Class III UPBUs in the Merauke Region. However, some questionnaires were unusable due to missing data or incomplete responses, resulting in a final sample of 101 usable responses (response rate: 68.2%). Descriptive analysis was conducted to explore the demographic characteristics of the respondents (Table 2). The majority of respondents held a high school diploma (61.38%), staff positions (73.27%), and had 11-15 years of tenure (31.62%).

Table 2. Demographic Characteristics of Respondents

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Alternative Answers</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education</td>
<td>Senior High School</td>
<td>62</td>
<td>61.38%</td>
</tr>
<tr>
<td></td>
<td>Diploma D3</td>
<td>15</td>
<td>14.85%</td>
</tr>
<tr>
<td></td>
<td>Bachelor Degree (S1)</td>
<td>23</td>
<td>22.77%</td>
</tr>
<tr>
<td></td>
<td>Master Degree (S2)</td>
<td>1</td>
<td>0.10%</td>
</tr>
<tr>
<td>Position</td>
<td>Head of Department</td>
<td>9</td>
<td>8.9%</td>
</tr>
<tr>
<td></td>
<td>Head of Division</td>
<td>18</td>
<td>17.83%</td>
</tr>
<tr>
<td></td>
<td>Staff</td>
<td>74</td>
<td>73.27%</td>
</tr>
<tr>
<td>Period of Service</td>
<td>6-10 years</td>
<td>28</td>
<td>27.72%</td>
</tr>
<tr>
<td></td>
<td>11-15 years</td>
<td>32</td>
<td>31.68%</td>
</tr>
</tbody>
</table>
Prior to path analysis, the collected data underwent rigorous assessment for validity and reliability (Table 3). Validity refers to the extent to which a measure reflects the intended construct. In this study, Pearson correlation coefficients ($r$) were employed to assess indicator validity. All indicators across the four variables demonstrated statistically significant correlations ($r > r_{table}$) at a 5% significance level. Based on this table, all indicators of the four variables generate Pearson correlation or $r$-statistics $> r_{table}$. The 101 research samples with a significance level of 5% generate the $r_{table}$ value of 0.1956. Therefore, all indicators of all variables are declared valid. Reliability refers to the consistency of a measure. Cronbach's Alpha ($\alpha$) was used to assess the reliability of each variable. All variables in the study exhibited Cronbach's Alpha values exceeding 0.70. This threshold indicates acceptable levels of reliability, meaning the measures produce consistent results when applied repeatedly.

### Table 3. Validity and Reliability Test Results

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>Indicators</th>
<th>Pearson Correlation</th>
<th>Cronbach's Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensation Variables:</td>
<td>KM1. The salary I receive is sufficient for living needs.</td>
<td>0.739</td>
<td>0.912</td>
</tr>
<tr>
<td></td>
<td>KM2. Overall salary is commensurate with the work performed.</td>
<td>0.765</td>
<td></td>
</tr>
<tr>
<td></td>
<td>KM3. The difference in salaries between departments in the office is in line with expectations and responsibilities.</td>
<td>0.732</td>
<td></td>
</tr>
<tr>
<td></td>
<td>KM4. The salary set by this office follows established regulatory standards.</td>
<td>0.766</td>
<td></td>
</tr>
<tr>
<td>Salary</td>
<td>KM5. Incentives given are in accordance with work results.</td>
<td>0.688</td>
<td></td>
</tr>
<tr>
<td></td>
<td>KM6. The amount of the incentive is based on applicable regulations.</td>
<td>0.711</td>
<td></td>
</tr>
<tr>
<td></td>
<td>KM7. Bonuses are given according to employee achievements.</td>
<td>0.709</td>
<td></td>
</tr>
<tr>
<td>Benefits</td>
<td>KM8. The benefits provided by this office are in accordance with the employee's rank.</td>
<td>0.767</td>
<td></td>
</tr>
<tr>
<td></td>
<td>KM9. The benefits provided by this office are in accordance with the employee's length of service.</td>
<td>0.728</td>
<td></td>
</tr>
<tr>
<td></td>
<td>KM10. The benefits provided by this office are in accordance with the employee's educational level.</td>
<td>0.753</td>
<td></td>
</tr>
<tr>
<td></td>
<td>KM11. Insurance such as health and other facilities provided by this office are sufficient.</td>
<td>0.692</td>
<td></td>
</tr>
<tr>
<td>Career Development Variables:</td>
<td>PK1. I have the competence and knowledge to complete the tasks given by the leadership</td>
<td>0.666</td>
<td>0.902</td>
</tr>
</tbody>
</table>
PK2. The level of academic education of employees has the opportunity to develop a career. 0.799
PK3. The training provided by the office helps me in completing the main office tasks. 0.734
PK4. Every employee is given the same opportunity to improve their career through workshops and training. 0.743
PK5. Mutations are carried out to increase employee experience and knowledge. 0.669
PK6. Mutations are carried out based on employee work ability. 0.778
PK7. The longer I work, the more I am able to understand the job. 0.747
PK8. Age level and work experience greatly influence understanding the tasks in a job. 0.729
PK9. I feel satisfied with the career path provided by the office. 0.666
PK10. The office is very fair in evaluating employee work results. 0.770

<table>
<thead>
<tr>
<th>Mutations</th>
<th>Working Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>PK2.</td>
<td>PK7.</td>
</tr>
<tr>
<td>PK3.</td>
<td>PK8.</td>
</tr>
<tr>
<td>PK4.</td>
<td>PK9.</td>
</tr>
<tr>
<td>PK5.</td>
<td>PK10.</td>
</tr>
</tbody>
</table>

Job Satisfaction Variables:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>I feel comfortable working in the office now.</td>
<td>I feel satisfied when I can excel at work.</td>
<td>I feel satisfied with the salary given by the office.</td>
<td>The office provides a salary commensurate with my performance.</td>
<td>I feel happy when I get a big opportunity for promotion.</td>
<td>I feel happy when I get the opportunity for self-development.</td>
<td>The managers always give orders and directions to all employees.</td>
<td>I feel happy if my work is well recognized.</td>
<td>Colleagues help me in completing work.</td>
<td>My co-workers are kind and pleasant to me.</td>
</tr>
</tbody>
</table>

0.707 0.765 0.669 0.760 0.590 0.666 0.700 0.757 0.691 0.769

Organizational Commitment Variable: 0.882
Furthermore, the results of the classical assumption test are shown in Table 4. Normality testing was carried out using the Kolmogorov-Smirnov test. Based on Table 4, the Kolmogorov-Smirnov significance value (0.200) is greater than the commonly used alpha level of 0.05. This suggests that the research data can be considered normally distributed. The multicollinearity test was conducted by evaluating the collinearity statistics tolerance and VIF values. Table 4 indicates that the tolerance values of the independent variables range from 0.732 to 0.789, which are well above the recommended threshold of 0.10. Similarly, the VIF values range from 1.267 to 1.366, all less than 10.00. These results collectively suggest that multicollinearity is not a concern in this model.

The Glejser test, a method for detecting heteroscedasticity, was employed. As shown in Table 4, the significance values of the regression coefficients for the absolute values of the residuals for all three independent variables are greater than 0.05. This suggests that heteroscedasticity is not a significant problem in this model.

<table>
<thead>
<tr>
<th>Normality Test</th>
<th>Multicollinearity Test</th>
<th>Heteroscedasticity Test</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kolmogorov-Smirnov A symp. Sig</td>
<td>Variable</td>
<td>Tolerance</td>
</tr>
<tr>
<td>0.057 0.200</td>
<td>Compensation</td>
<td>0.7</td>
</tr>
<tr>
<td></td>
<td>Career</td>
<td>0.7</td>
</tr>
</tbody>
</table>

Table 4. Classic Assumption Test Results
Since the research data met the criteria for validity, reliability, and classical assumptions, a path analysis test was conducted. Table 5 shows that compensation and career development have a significant positive effect on job satisfaction ($p < 0.05$), supporting the first and second hypotheses. The $R$-square value of 0.268 indicates that compensation and career development explain 26.8% of the variance in job satisfaction. The remaining 73.2% of the variance is likely attributable to other factors not examined in this study.

Compensation has been consistently linked to positive employee job satisfaction (Chinyio et al., 2018, Ashraf, 2020, and Aman-Ullah et al. 2023). This study supports these findings, demonstrating that higher employee perceptions of the compensation system are associated with greater job satisfaction. Descriptive analysis reveals that respondents at UPBU Class III offices in the Merauke Region view their basic salary as sufficient for living needs, commensurate with their work, and aligned with regulations. This perception of adequate compensation likely contributes to their feelings of happiness and job satisfaction. These results align with Mahmood et al. (2019) who found that salary is a significant factor influencing employee satisfaction.

### Table 5. First Multiple Regression Analysis Results

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (Constant)</td>
<td>15,193</td>
<td>3,300</td>
<td>4,605</td>
<td>0,000</td>
</tr>
<tr>
<td>Compensation</td>
<td>0,214</td>
<td>0,074</td>
<td>0,270</td>
<td>2,887</td>
</tr>
<tr>
<td>Career Development</td>
<td>0,339</td>
<td>0,090</td>
<td>0,352</td>
<td>3,764</td>
</tr>
<tr>
<td><strong>R Square</strong></td>
<td>0,268</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Job Satisfaction

Similar to compensation, career development programs have been shown to positively impact employee job satisfaction (Jena & Nayak, 2023; Permana et al. 2021). This study aligns with these findings. While employees at the UPBU Class III Merauke Region office perceive the current career development program as adequate, there is room for improvement. However, the office does provide opportunities for creativity, growth, and development, which employees find supportive. These opportunities likely contribute to a sense of job satisfaction by demonstrating the organization's investment in their professional growth.

### Table 6. Results of the Second Multiple Regression Analysis

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>0,36</td>
<td>2,855</td>
<td>0,1</td>
<td>0,89</td>
</tr>
<tr>
<td>3</td>
<td>0,01</td>
<td>0,061</td>
<td>0,013</td>
<td>0,84</td>
</tr>
<tr>
<td>2</td>
<td>0,15</td>
<td>0,076</td>
<td>0,151</td>
<td>2,1</td>
</tr>
<tr>
<td>9</td>
<td>0,77</td>
<td>0,079</td>
<td>0,706</td>
<td>9,7</td>
</tr>
<tr>
<td><strong>R Square</strong></td>
<td>0,62</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

7
A second regression analysis was conducted to determine the effect of compensation, career development, and job satisfaction on organizational commitment (Table 6). The results reveal that career development and job satisfaction have a significant positive effect on organizational commitment (p < 0.05), while compensation does not (p > 0.05). This finding aligns with previous research that emphasizes the importance of growth opportunities and job satisfaction for employee commitment. The R-square value of 0.627 indicates that these three variables explain 62.7% of the variance in organizational commitment. The remaining 37.3% is likely attributable to other factors not examined in this study.

As hypothesized, job satisfaction demonstrates a positive effect on organizational commitment (supporting Hypothesis 3). This finding aligns with prior research highlighting the positive influence of job satisfaction on organizational commitment (Bashir & Gani, 2020). Employees at the UPBU Class III Merauke Region office reported high satisfaction with supervision. Leaders consistently provide clear instructions and direction, along with recognition for employee achievements. This supportive environment, where leaders offer guidance and acknowledge employee contributions, likely plays a significant role in fostering employee satisfaction (Kitsios & Kamariotou, 2021).

Interestingly, compensation was not found to have a significant effect on organizational commitment in this study, thereby not supporting Hypothesis 4. This result appears to contradict previous research highlighting a positive association between compensation and commitment (Aboramadan et al., 2020; and Al Adresi & Darun, 2017). However, it aligns with the findings of Hermingsih & Purwanti (2020) who also reported a non-significant effect of compensation on commitment. While increasing compensation alone may not directly translate to higher organizational commitment, fair and competitive compensation remains crucial for attracting and retaining employees. It is likely one of several factors that contribute to an employee’s overall sense of commitment to the organization.

Similar to job satisfaction, career development programs also demonstrate a positive effect on organizational commitment, supporting Hypothesis 5 (Hamzah et al., 2020; and Knezović & Greda, 2021). Employees who perceive their organization offers robust career development opportunities tend to exhibit higher levels of commitment (Kohlmeyer et al., 2017). This aligns with the notion that employees value opportunities for growth and development, which fosters a sense of loyalty and dedication to the organization.

Following the regression analyses, a Sobel test was conducted to assess the mediating effect of job satisfaction on the relationship between compensation and organizational commitment (Figure 2). The Sobel test statistic (2.76789811) and its corresponding significance value (p = 0.00564191) were both less than 0.05, indicating that the mediation effect of job satisfaction is statistically significant. This suggests that compensation has an indirect effect on organizational commitment through the mechanism of job satisfaction, supporting Hypothesis 6.
This study underscores the importance of career development programs in fostering employee commitment. The results demonstrate that such initiatives contribute to job satisfaction, which in turn strengthens an employee's dedication to the organization (Ikasari et al. 2022). By investing in well-designed career development opportunities, organizations can create a more satisfied and committed workforce. This study demonstrates that developing well-structured and fair career development opportunities is an effective strategy to increase employee satisfaction and organizational commitment.

A Sobel test was then conducted to assess the mediating effect of job satisfaction on the relationship between career development and organizational commitment (Figure 3). The Sobel test statistic (3.51081245) and its corresponding significance value (p = 0.00044674) were both less than 0.05, indicating a statistically significant mediating effect. Therefore, career development has an indirect effect on organizational commitment through the mechanism of job satisfaction.

The results of the Sobel tests inform the development of a research path diagram (Figure 4). This diagram depicts the indirect effects of compensation and career development on organizational commitment, mediated by job satisfaction by calculating the indirect influence coefficient of these variables. The resulting path diagram is shown in Figure 4.
The findings suggest that job satisfaction may fully mediate the relationship between compensation and organizational commitment. This is because compensation does not have a significant direct effect on commitment, but it does influence commitment indirectly through job satisfaction, as highlighted by Nasution et al. (2019) and Ibrahim and Boerhaneoddin (2010). These results highlight the potential buffering role of job satisfaction in the compensation-commitment relationship. Organizations should acknowledge the importance of offering competitive and fair compensation, not only for direct effects on commitment, but also for its role in fostering job satisfaction, which ultimately strengthens employee dedication.

V. Conclusion

This study demonstrates that compensation positively impacts job satisfaction, but it does not have a direct effect on organizational commitment. In contrast, career development shows a positive influence on both job satisfaction and commitment. Furthermore, job satisfaction appears to mediate the relationship between compensation and organizational commitment. These findings highlight the importance of a well-designed compensation and career development system for fostering employee job satisfaction and commitment within the UPBU Class III Merauke Region Office.

Based on the research results, the Merauke Region Class III Airport Office and similar government organizations can significantly enhance employee organizational commitment by implementing several key strategies. First, ensuring a competitive compensation package that reflects workload can greatly boost employee motivation. Second, fostering employee growth through opportunities for creativity, skill development through relevant training programs, and participation in decision-making processes can cultivate a sense of professional satisfaction. Finally, implementing a system for acknowledging and rewarding high performers can contribute to a more positive and committed workforce. By focusing on these interconnected aspects of compensation, career development, and job satisfaction, organizations can create a work environment that motivates and retains a dedicated workforce.

This study is subject to several limitations. First, it relies solely on quantitative data collected through questionnaires. While questionnaires offer valuable insights, they are susceptible to response bias, potentially leading to a discrepancy between reported experiences and reality. Future research could employ mixed methods, incorporating qualitative data such as interviews to gain a more nuanced understanding of employee experiences. Additionally, this study focuses on three key factors influencing organizational commitment. Future studies could explore the impact of additional factors like work environment, work experience, organizational culture, work motivation, and individual characteristics to provide a more comprehensive picture.

References

Adekola, B. (2011). Career planning and career management as correlates for career


