

ABSTRACT

The Influence of Compensation and Career Development on Organizational Commitment through Perceived Organizational Support as a Mediating Variable in the Manufacturing Industry (A Study at PT Sakura Tech Indonesia)

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This study aims to examine the influence of compensation and career development on organizational commitment, with Perceived Organizational Support (POS) as a mediating variable, in the manufacturing industry context. Using Social Exchange Theory as the theoretical foundation, this quantitative research involved 47 permanent employees of PT Sakura Tech Indonesia, selected through purposive sampling. Data were analyzed using Structural Equation Modeling (SEM) with SmartPLS. The findings reveal that compensation and career development do not have a significant direct effect on organizational commitment. However, both have a significant influence on POS, and POS itself significantly affects organizational commitment. Nevertheless, POS does not significantly mediate the relationship between compensation or career development and organizational commitment. These results suggest that while the company offers compensation according to minimum wage standards and provides limited career development opportunities, these efforts are not sufficient to enhance employee commitment without a strong and equitable perception of organizational support. This study contributes to human resource strategies by emphasizing the importance of strengthening perceived organizational support through fair compensation systems and equal access to career development opportunities.

Keywords: *Compensation, Career Development, Perceived Organizational Support, Organizational Commitment, Social Exchange Theory*