Modeling Nurse Job Satisfaction Mediated Remuneration Supported Career Development and Transformational Leadership

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Abstract
The purpose of this study is to examine and create a model that proposes that views of compensation, together with career development and transformational leadership, operate as mediators in the relationship between work satisfaction and nurses.

Methodology: 200 clinical nurses participated in the survey-based study, which was carried out at the Embung Fatimah Regional General Hospital in Batam City. Stratified random sampling was used for the sampling process. Structural Equation Modeling (SEM) data analysis.

Results: The structural model's conclusions show that career development has a favorable and significant impact on job satisfaction that is larger than the effects of transformational leadership and compensation. Greater than the impact of transformational leadership on compensation is the direct and substantial influence of career development on compensation. Greater than the impact of transformative leadership on job satisfaction through compensation is the indirect influence of career development on job satisfaction.

Conclusion: Since compensation is a mediating variable in our study, it is novel. In order to enhance job satisfaction, nurses should prioritize their professional career growth and ensure that their remuneration is appropriately managed, adhering to relevant legislation and adhere to existing legislation when it comes to remuneration management in order to enhance job satisfaction.

Keyword: Nurse Job Satisfaction, Transformational Leadership, Career Development, and Compensation
1. Introduction

Given that human resources constitute an organization's most valuable resource, employee satisfaction is a critical component of that success. Organizations must invest in their employees by providing professional development programs and transformational leadership, as meeting their financial demands alone won't suffice to keep them satisfied.

Value perception theory also states that people evaluate job satisfaction based on certain things about their work. The most common aspects employees consider in assessing their job satisfaction are pay, promotions, supervision, coworkers, and the job itself. Satisfaction with these five aspects is combined to create "overall job satisfaction." Job satisfaction theory attempts to ascertain what makes some people more satisfied with their jobs than others. Colquitt, Lepine, & Wesson (2015) state "job satisfaction is a pleasant emotional state that results from an assessment of one's job or work experience.

The fact that job satisfaction is influenced by a number of factors, including leadership style, makes it a very complex factor. Research by Dziuba et al. (2020) supports managers' use of transformational leadership behaviors as a useful strategy for creating workplace conditions that promote better safety outcomes for patients and caregivers. Research by Maya et al. (2020) indicates that leadership style influences employees' job satisfaction at PT Toarco Jaya Toraja. Employee job satisfaction at PT Toarco Jaya Toraja is positively and significantly impacted by incentives.

The study's findings are consistent with research by Lu et al. (2019), which found that the following factors affect nurses' job satisfaction in hospitals: 1) work environment; 2) career management; 3) nurse-patient ratio; 4) leadership; 5) work involvement; 6) freedom from discrimination; and 7) evidence-based practice. Lee, Yang, & Li (2017) found that respectful treatment of all employees at all levels; 2) overall compensation/salary; 3) trust between employees and senior management; 4) job security; and 5) Opportunities to use skills and abilities in the workplace.

The goal of job satisfaction theory is to identify the factors that lead to some people being more satisfied with their jobs than others. It also aims to provide a foundation for the process by which people feel this way. Two theories that are commonly used to explain job satisfaction are the two-factor theory and value theory. The two-factor theory posits that factors such as working conditions, wages, security, quality of supervision, and relationships with coworkers are associated with dissatisfaction, while job satisfaction stems from the job itself, including its nature, accomplishments, opportunities for advancement, and opportunities for self-development and recognition. The five factors that can affect job satisfaction are as follows: 1) Need fulfillment (fulfillment of needs); 2) Discrepancies (di
satisfied with their jobs, down from 61 percent two decades ago. The same survey also showed a decrease in the percentage of employees who found their work interesting (51 percent), were satisfied with their superiors (51 percent), and liked their coworkers (57 percent).

Much research has been conducted on job satisfaction; Most of the previous research was only limited to industrial economic problems and still needed to build a conceptual framework in modeling to measure the level of job satisfaction of nurses. The novelty of this research is the theoretical increase in nurse job satisfaction (Colquitt et al., 2015; Hakim & Locke, 1993; Lee et al., 2017). Research by Munap et al., (2013) states that a person will feel satisfied with their work if they feel that the salary/remuneration they receive can fulfill their life needs; Yukl, (2013) states that with a transformational leadership style, followers give trust, admiration, loyalty and a sense of respect for leaders and they are motivated to do a better job than previously targeted. Apart from that, coupled with a clear career path, research by Shujaat, Sana, Aftab, & Ahmed (2013) states that employee job satisfaction depends on career development and opportunities in each organization in the banking sector. Job satisfaction is an important and interesting issue to study because it benefits the interests of individuals, industry (hospitals), and society. Nurses who are satisfied with their work will provide better and quality service to patients in the hospital so that patient and patient family satisfaction is also met, which ultimately improves the quality of the hospital and ultimately increases hospital income.

This research is different from previous studies in that it was carried out at Embung Fatimah Hospital in Batam City, which has highly heterogeneous human resources with varying characteristics from various ethnicities and levels of education. The research aims to analyze and develop a model that states that career development and transformational leadership support and mediate nurse job satisfaction.

**Formulation of the problem**

Considering the constraints of the issues that have been found in the backdrop Earlier, the problem formulation for this study involved exploring prior research models and analyzing, evaluating, and developing models from the theories of each variable. The specifics of this problem formulation are as follows:

1. Does career development have a direct effect on nurses job satisfaction?
2. Does Transformational Leadership have a direct effect on nurses job satisfaction?
3. Does remuneration have a direct effect on nurses job satisfaction?
4. Does career development have a direct effect on remuneration?
5. Does transformational leadership have a direct effect on remuneration?
6. Does career development have an indirect effect on job satisfaction through remuneration?
7. Does transformational leadership have an indirect effect on job satisfaction through remuneration?

**Research purposes**

Based on the problem description that has been described, the aim of this research is to analyze and develop a model which states that job satisfaction is mediated by remuneration which is supported by career development and transformational leadership. The details of these objectives are as follows:

1. Analyzing the direct influence of Transformational leadership on nurses' job satisfaction at
2. Literature Review

2.1 Theory

Job satisfaction theory explains why some people are happier at work than others. The following are the opinions of professionals who address job satisfaction: Colquitt, Lepin, & Wesson (2015) state that job satisfaction is defined as: "Job satisfaction is all pleasurable emotional state resulting from an assessment of one's work or work experience." Colquitt, Lepin, & Wesson (2015) also state that the term "job satisfaction" refers to both an individual's attitude toward their employment and the opinions of their coworkers. When it comes to duties or completing work-related activities, employees with high job satisfaction feel good about themselves. When it comes to their responsibilities, employees who are not happy at work will feel bad about them.

Research findings by Gustalvo et al. (2014) demonstrate that job satisfaction is a reasonable reaction to employment when desired, expected, and appropriate results are compared to actual results. In the healthcare industry, job satisfaction is quantifiable and measurable, particularly for hospital nurses. Three factors are also associated with job satisfaction: patient care, interpersonal interactions, and autonomy. Additionally, research findings by Gustalvo et al. (2014) indicate that job satisfaction is a multifaceted and complex phenomenon. Collaboration between individual nurses, their managers, and other caregivers is essential to raising nurses' job satisfaction.

Seven subscales of job satisfaction were identified by Kvist et al. (2013): leadership, sense of unity, work environment, work requirements factors, work wellbeing, work motivation factors, and decision-making involvement. The study's findings indicate that the hospital's leadership was not revolutionary; no single subscale related to Transformational leadership highlighted the excellent level. Nursing directors and staff do not always collaborate, and there is still need for improvement in the nursing directors' understanding of their roles. Additionally, nursing staff members should be equally valued and given feedback. A study by Ylitörmänen et al. (2019) demonstrates that there is a strong relationship between nurses and caregivers.

Financial compensation refers to the salary, benefits, insurance, retirement plans, and other financial benefits that employees receive Ylitörmänen et al., (2019). The research result
from Mugi Halrsono (2016) indicates that there is a significant influence of perceived understanding of salary on job satisfaction; additionally, the mediating role of perceived salary fairness on the influence of salary differences on job satisfaction has been proven to be significant; however, the influence of perceived salary understanding on salary fairness and the mediating role of perceived salary fairness on the influence of salary understanding on job satisfaction have been found to be insignificant.

Career planning and university career development education are deliberate, targeted, and structured activities designed to support students in using planning and development; developing their comprehensive vocational abilities; increasing their alacrity and proficiency in career planning; and fostering individual career development. Career is the primary pathway to comprehensive education and learning, according to research result Han, (2022).

Research result Altals et al., (2015) demonstrated notable disparities in the salary civil servants and private sector workers perceived two aspects of Transformational leadership (acting as an wise role model and offering individualized support), Transformational leadership as a whole, and one aspect of job satisfaction (communication). The organizational commitment of civil servants is significantly predicted by the two aspects of job satisfaction operating procedures and communication as well as organizational trust and the two aspects of leadership individual support and encouraging acceptance as well as the two aspects of job satisfaction promotion and contingent rewards and organizational trust. Workers in the private sector. Furthermore, there exist notable distinctions among the predictors of organizational commitment characteristics (Transformational leadership, job satisfaction, and organizational trust) in civil servants versus private employees. Finally, organizational trust has a significant effect on overall organizational commitment and its three dimensions in civil servants and private employees.

Initially, career growth was measured using four dimensions, namely: 1) advancement toward career goals, 2) professional skill development, 3) speed of promotion, and 4) growth in compensation. Later, Liu et al. (2015) developed a new scale for nurse career growth called the Career Growth of Nurses Scale (CGNS), which is divided into three dimensions, namely: 1) Career Goals, 2) Career Capability, and 3) Career Opportunities. Many studies have measured employee career growth and career acceleration.

According to Onyishi, Enwereuzor, Ogbonnal, Ugwu, & Almalzue (2019), there is a positive correlation between nurses' career commitment (p < 0.001) and professional satisfaction (p < 0.001). There is also a strong correlation (p < 0.05) between career dedication and career happiness. The relationship between career commitment and the satisfaction of fundamental psychological needs is mediated by career satisfaction (95% confidence interval [0.009, 0.068]). These findings are clinically significant because they add to our understanding of how strengthening fundamental psychological demands might promote stronger career commitment and elevate job satisfaction. Retaining nurses depends on improving work environments to help staff members meet their basic psychological needs. Scholarships in Nursing Journal.
2.2 Research Hypothesis

Based on the descriptive conceptual and theoretical framework described above, the following hypothesis can be formulated:

1. Transformational leadership has a direct effect on nurse job satisfaction
2. Career development has a direct effect on nurse job satisfaction
3. Remuneration has a direct effect on nurses' job satisfaction
4. Transformational leadership has a direct influence on nurse remuneration
5. Career development has a direct effect on nurse remuneration
6. Career development has an indirect effect on job satisfaction through remuneration
7. Transformational leadership has an indirect effect on job satisfaction through remuneration

2.3 Instrument development

Following the acquisition of the research variables, the next stage involves the development of instruments for each research variable that has been presented. This process begins with the conceptual definition, operational definition, instrument grid, type of instrument, and feasibility test for each instrument. Additionally, instrument validity and reliability testing is included in this research. Following the determination of the sample size, the data was analyzed using the Structural Equation Model, or SEM.

3. Material and Method

3.1 Design Study

This study will investigate the relationship between research variables and measure the influence of one variable on other variables. The type of relationship that illustrates the pattern of cause-and-effect relationships between one variable and one or more other variables is called a structural model. The study will be conducted using survey methods, which are quantitative methods that use a sampling system from a population and structured questionnaire as a data collection tool.

Following the acquisition of the research variables, the next stage involves the development of instruments for each research variable that has been presented. This process begins with the conceptual definition, operational definition, instrument grid, type of instrument, and feasibility test for each instrument. Additionally, instrument validity and reliability testing is included in this research. Following the determination of the sample size, the data was analyzed using the Structural Equation Model, or SEM.

3.2 Data Analysis

Population: A population is a generalized research area with unique characteristics chosen by the researcher to be studied, along with inclusion and exclusion criteria. In this research, the clinical nurse at Embung Fatimah Hospital, Batam, serves as the unit of analysis, and 200 clinic nurses make up the research sample. Data collection for the study involved using a questionnaire to select participants from the population, and the sampling technique used was probability stratified random sampling. The research will take place at Embung Fatimah Hospital, Batam City, in the Riau Islands Province, between January and February 2023.
The Structural Equation Model (SEM) is the analytical test tool utilized in this study. The SEM procedure starts with defining the research model to be estimated. This stage of the process results in 1) Measurement Model Specifications and 2) Structural Model Specifications. The research model specifications were based on the research framework, different research hypotheses that represent the relationship between research variables, and the operationalization of research latent variables that demonstrate the relationship between latent variables and their dimensions and indicators.

![Figure 1. Research Model](image-url)
4. Result
4.1 Testing Hypotheses using Measurement Models

Figure 2: The standardised solution obtained from the estimation of the measurement model

4.2 Structural Model Analysis (Structural Model Analysis)

The second stage of analysis is called the structural model analysis, which will evaluate parameter/indicators to show all causal relationships or the influence of each latent variable on other latent variables. Cause and effect relationships are also used in research. The next step after finishing the evaluation is the validity and reliability of the research model measurement model.

The hypothesis testing is based on the structural model of research variables. The significance of the influence of research variable walls is tested using the maximum likelihood method. The simplified research model's estimation yields the graph diagram results for the standardized solution, which are displayed in Figure 3.

Figure 3. Model estimation results (standard solution)
Additionally, Figure 4 presents the findings from the estimation of the latent variable transformational leadership, career development, compensation, and nurse job satisfaction using t test statistics.

**Figure 4.** Results of Model estimation (t-value)

Furthermore, the results of the estimation of the direct influence and indirect influence path coefficient parameters are presented in Table 1.

**Table 1. Estimation Results of Direct Effect Parameters & Indirect Effect Path Coefficients**

<table>
<thead>
<tr>
<th>Research Hypothesis</th>
<th>Influence between variables</th>
<th>Path Coefficient</th>
<th>t-value</th>
<th>t-table</th>
<th>Decision</th>
<th>Conclusion</th>
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</thead>
<tbody>
<tr>
<td>H1</td>
<td>Transformational leadership→ job satisfaction</td>
<td>0.18</td>
<td>2.74</td>
<td>1.96</td>
<td>H1 is accepted -&gt; significant</td>
<td>Data supports the hypothesis</td>
</tr>
<tr>
<td>H2</td>
<td>Career development → job satisfaction</td>
<td>0.50</td>
<td>5.68</td>
<td>1.96</td>
<td>H1 is accepted -&gt; significant</td>
<td>Data supports the hypothesis</td>
</tr>
<tr>
<td>H3</td>
<td>Remuneration → job satisfaction</td>
<td>0.22</td>
<td>3.29</td>
<td>1.96</td>
<td>H1 is accepted -&gt; significant</td>
<td>Data supports the hypothesis</td>
</tr>
<tr>
<td>H4</td>
<td>Transformational leadership→ Remuneration</td>
<td>0.19</td>
<td>2.49</td>
<td>1.96</td>
<td>H1 is accepted -&gt; significant</td>
<td>Data supports the hypothesis</td>
</tr>
<tr>
<td>H5</td>
<td>Career development → Remuneration</td>
<td>0.50</td>
<td>5.68</td>
<td>1.96</td>
<td>H1 is accepted -&gt; significant</td>
<td>Data supports the hypothesis</td>
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<tr>
<td>H6</td>
<td>Transformational leadership → Remuneration job satisfaction</td>
<td>0.19x0.22 = 0.0418</td>
<td>2.49 &amp; 3.29 = 1.985***</td>
<td>1.96</td>
<td>H1 is accepted -&gt; significant</td>
<td>Data supports the hypothesis</td>
</tr>
<tr>
<td>H7</td>
<td>Career development → Remuneration → job satisfaction</td>
<td>0.50x0.22 = 0.11</td>
<td>5.68 &amp; 3.29 = 2.846**</td>
<td>1.96</td>
<td>H1 is accepted -&gt; significant</td>
<td>Data supports the hypothesis</td>
</tr>
</tbody>
</table>

Table 1 demonstrates that the direct impact of compensation on job satisfaction is 0.22 and that the direct impact of Career development on job satisfaction is higher than the direct impact of Transformational leadership on nurses' job satisfaction (0.50 VS 0.18). In contrast, Career development has a greater direct impact on compensation (0.50) than Transformational leadership (0.19), indicating that Career development is more important than Transformational leadership when it comes to the implementation of nurse Career development in relation to leadership style. Table 1 also demonstrates the t value of 1.985 and the path coefficient of 0.0418 for the indirect impact of Transformational leadership on job satisfaction through compensation. This indicates the importance of the trajectories of job satisfaction, compensation, and Transformational leadership. The Career Development Trajectory Job Satisfaction Remuneration was found to be significant, greater than the influence of Career development on nurses' job satisfaction through remuneration. In addition, it was discovered that the indirect effect of Career development on job satisfaction through remuneration with a path coefficient of 0.11 and a calculated t value of 2.846 was also significant. Therefore, the relationship between Career advancement and job satisfaction is mediated by the compensation variable and the Transformational leadership variable.

5. Discussion

5.1 Transformational leadership has a direct effect on nurses' job satisfaction

The results obtained after conducting model analysis are used to answer hypotheses and draw conclusions in this research. The explanation of the hypothesis answer can be described as follows:

According to the study's findings, Career development has a higher direct impact on job happiness in nurses than Transformational leadership does (0.50 versus 0.18), and compensation has a direct impact of 0.22 on job satisfaction. On the other hand, Career development has a greater direct impact on compensation (0.50) than transformative leadership (0.19), indicating that the latter has a greater direct influence. A leader that practices Transformational leadership encourages his team members to grow intellectually, creates a
strong sense of camaraderie, and gives them a strong sense of ownership over the company. (Wang, 2019). As a developing leadership paradigm, Transformational leadership focuses on transforming the organization and its members from their current state to one that is better aligned with the organization's vision, mission and goals. This process requires many considerations, such as organizational values, organizational output standards, long-term goals, ethical leadership, and follower emotions.

Research result Boamah et al., (2018), states the Model fits the data acceptable. Transformational leadership has a strong positive influence on workplace empowerment, which in turn increases nurse job satisfaction and decreases the frequency of adverse patient outcomes. Conclusion: These findings provide support for managers' use of Transformational leadership behaviors as an useful strategy in creating workplace conditions that support better safety outcomes for patients and caregivers.

5.2 Career development has a direct effect on nurses' job satisfaction

The findings of the study demonstrated a direct relationship between nurses' job satisfaction at Embung Fatimah Regional Hospital in Batam and their sense of Career progression. The results of this study are consistent with Bendin's (2013) research, which indicated that Career development is crucial for both individuals and companies. Wirawan (2015) Careers play a significant role in both the accomplishment of the organization's objectives and the personal growth of its personnel. According to employment law and Career theory, each employee must have equal access to chances for professional growth. Work motivation, job happiness, and organizational commitment are all influenced by an employee's Career, and these factors can eventually affect performance. Mulyadi, (2015), adding that Career development is a process to improve a person's abilities, both individually and organizationally, to reach the desired Careerpeak.

In line with this research Shujaat, Sana, Aftab, & Ahmed (2013) in the banking sector states that employee job satisfaction depends on Career development opportunities in their respective organizations. The banking sector in Karachi generally provides Career development opportunities. Career success can be defined as the actual or perceived achievements that individuals accumulate due to their work experiences. Study (Hennekam, 2016) demonstrates the positive correlation between intrinsic professional success (work happiness) and competence. Integrity was unrelated to extrinsic Career success, whereas social skills and motivation were positively correlated. Originality/value: Scholars haven't paid much attention to the impact that competence has on older workers' Career performance.

Apart from that, the findings of this study also support research from Onyishi, Enwereuzor, Ogbonna, Ugwu & Amazue (2019), which resulted in research findings using regression-free path analysis, basic psychological satisfaction was positively related to Career satisfaction and Career commitment of nurses. These results are based on research (Djukic et al., 2014), shows that South Australia has found a new way to provide meaningful Career development opportunities for experienced nurses through job enrichment. Research (Djukic et al., 2014), also obtained policies by increasing the number of senior staff nursing positions, increasing the ladder ladder, implementing new skills development strategic projects, and employment. These results are supported by the cross tabulation results of the average of respondents' answers with the highest loading factor obtained for Career goals in the
questionnaire statement "I have a strategy to achieve my Career goals", also supported by the Career capacity indicator in the questionnaire, the statement "my current job makes it easier for me to learn new knowledge related to my work." To increase job satisfaction for nurses at Embung Fatimah Regional Hospital, it is necessary to facilitate clinical nurses to increase their knowledge and skills through in-house and ex-house training strategies, coaching, etc.

5.3 Remuneration has a direct effect on nurses' job satisfaction

Research findings reveal that perceptions of remuneration have a direct effect on the job satisfaction of nurses working at Embung Regional Hospital. The findings of this study support this research Mendes, Lunkes, Flach & Kruger (2017). It examined how workers felt about the pay structures in two big Brazilian hospitals—one run by the government, the other by private investors. The results of their study demonstrate that fixed wages have distinct effects on workers in the two sectors as well as on management at government and private hospitals. The study's findings are consistent with previous research Setiawan, (2017). This indicates that the Compensation Satisfaction variable and Nurse Performance have a significant positive link. The partial correlation significance value between the variables is reached at 0.000, a value that is less than the 0.05 rejection limit. As a result, the computed r that was achieved is 0.776 times larger than the r of 0.514 found in the Product Moment Table at N = 15. This demonstrates how powerful the influence is that occurs. At Ngести Waluyo Hospital, compensation satisfaction accounted for 60.2% of the total contribution to raising nurse performance, with 39.8% coming from other sources. The study's findings are consistent with previous research Almansour et al., (2021), which states that one of the perceptions that differentiates expatriates regarding their job satisfaction from local nurses is the fairness of remuneration, so in conclusion, the job satisfaction experienced by foreign nurses can result in a healthier work environment and greater retention of these nurses. This research is also supported by study Niskala et al., (2020), stated that compensation influences lecturers' job satisfaction, Career development influences lecturers' job satisfaction, and compensation and Career development together influence lecturers' job satisfaction.

5.4 Transformational leadership has a direct effect on nurse remuneration

On the other hand, Career development has a greater direct impact on compensation (0.50) than does Transformational leadership (0.19), indicating that Career development is more important than Transformational leadership. A leader that practices Transformational leadership encourages his team members to grow by stimulating their minds, creating a sense of community, and giving them a strong sense of ownership over the company (Wang, 2019). As a developing leadership paradigm, Transformational leadership focuses on transforming the organization and its members from their current state to one that is better aligned with the organization's vision, mission and goals.

5.5 Career development has a direct effect on nurse remuneration

The study's findings indicate that nurses' salaries at Embung Fatimah Regional Hospital in Batam are positively impacted by their perceptions of nursing Career advancement. The research's conclusions are highly significant, particularly in light of Career development. It is imperative that employees pursue Career development in order to boost their enthusiasm,
productivity, and abilities. A Career that is properly managed through a system or program created in accordance with the needs, vision, and mission of the organization is necessary for such a significant challenge. In order to help people advance in their Careers, firms need to offer a clear Career map or route. Minister of Health Regulation Number 40 of 2016 stipulates a nurse Career map regarding the Development of Career Paths for the Clinical Nursing Profession (Minister of Health of the Republic of Indonesia, 2017).

Study Dezee et al., (2011) stated that financial incentives can influence students' Career choices, consistent with other findings in the last 15 years. The findings of this study are in accordance with this opinion Kaswan, (2014), which states that everyone wants to be successful in their Career. However, the meaning of success for each person is different and varies depending on circumstances. This understanding reflects the objective and subjective aspects of objective Career success, which describes Career achievements that can be observed and measured objectively based on a person's income and promotion history at hierarchical levels in the organization.

6. Conclusion, Implication, and Recommendation

This work contributes significantly to theory, especially in the area of hospital nursing management. These results demonstrate that compensation is a mediating variable, which makes it novel in this study. The study's conclusions support managers' use of Transformational leadership behaviors as a practical tactic for fostering an environment at work that promotes improved patient and caregiver safety outcomes. In order to enhance the job satisfaction of nurses, the director of Embung Fatimah Regional General Hospital ought to give careful consideration to the professional growth of nursing staff and establish just compensation policies that comply with relevant regulations concerning hospital service delivery.

7. References


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