

## The Role of Job Satisfaction Mediation in the Relationship between Compensation and Organizational Commitment in Security Outsourcing PT XYZ

Tiara WiguUtnastika<sup>1</sup>, Hesty Prima Rini<sup>2</sup>, Ayundha Evan<sup>3</sup>  
[tiarawigunastika825@gmail.com](mailto:tiarawigunastika825@gmail.com)<sup>1</sup>, [hestyprimarini.mnj@upnjatim.ac.id](mailto:hestyprimarini.mnj@upnjatim.ac.id)<sup>2</sup>,  
[ayundha.evanthi.mnj@upnjatim.ac.id](mailto:ayundha.evanthi.mnj@upnjatim.ac.id)<sup>3</sup>

Department of Management, Faculty of Economics and Business, Universitas Pembangunan Nasional  
"Veteran" Jawa Timur, Indonesia <sup>1, 2, 3</sup>

### Article Info

#### Article history:

Received: August 9, 2025

Revised: August 20, 2025

Accepted: Sept 11, 2025

#### Keywords:

Compensation

Job Satisfaction

Organizational Commitment

Outsourcing



This is an open access article under the [CC BY-NC](https://creativecommons.org/licenses/by-nc/4.0/) license

### ABSTRACT

*This study aims to examine the effect of compensation on organizational commitment with job satisfaction as a mediating variable. A quantitative method was used to obtain objective empirical data, with respondents as many as 51 outsourced employees (security) at PT XYZ. Data collection was carried out through a questionnaire, then analyzed using the Partial Least Squares Structural Equation Modeling (PLS-SEM) technique. The results showed that compensation has a positive and significant influence on organizational commitment. In addition, job satisfaction was shown to significantly mediate the relationship between compensation and organizational commitment. This suggests that adequate compensation can increase job satisfaction, which in turn strengthens commitment to the organization. These findings emphasize that companies need to pay attention to the quality of compensation and working conditions to maintain loyal and productive employees.*

### Corresponding Author:

Tiara Wigunastika<sup>1</sup>, Hesty Prima Rini<sup>2</sup>, Ayundha Evan<sup>3</sup>

### INTRODUCTION

A common form of human resource management applied today is the outsourcing system, where companies use labor from third parties without making them permanent employees. This system is chosen for its flexibility in adjusting the number of workers according to operational needs, while reducing administrative burdens and recruitment costs so that companies can focus on core business activities. Despite its many benefits, outsourcing often faces the problem of low employee commitment, which leads to high turnover and disrupts smooth operations and service quality. This condition requires

companies to be more adaptive and agile in managing their workforce to remain competitive in the global era.

One aspect that affects employees' work commitment is their perception of the compensation received. When compensation is considered disproportionate to the workload and risks, the level of commitment tends to decrease (Purwadiseni et al., 2021). Compensation that matches employee expectations can encourage higher morale. Conversely, if compensation is seen as unfair, employees can feel underappreciated and start considering looking for a better job elsewhere.

In addition, low organizational commitment can also be caused by the company's lack of attention to job satisfaction. Job satisfaction is a form of positive emotional response that arises from employees' evaluation of their experiences at work (Rosita, 2022). This level of satisfaction has an impact on employee loyalty and loyalty. Employees who feel valued and comfortable with the work environment tend to stay and show optimal performance.

In the relationship between compensation and work commitment, job satisfaction acts as a mediating variable. This means that adequate compensation allows employees to fulfill their needs, thus fostering a sense of satisfaction with work. This satisfaction then contributes to strengthening commitment to the organization. Job satisfaction has a role as a partial mediator in the relationship between compensation and organizational commitment because both direct and indirect effects have proven significant (Romdlon et al., 2021). However, different results were found in research showing that job satisfaction was unable to mediate the relationship between compensation and organizational commitment (Martini & Susanto, 2024).

The subjects of this research are outsourced security employees of PT XYZ. The results of the interviews showed problems related to the low level of commitment of outsourced security officers. A number of employees are known to have chosen to resign or leave their jobs in less than one week, without providing information or prior notice. The turnover data of outsourced security personnel at PT XYZ during the period September 2023 to September 2024 is presented in the following table:

**Table 1 PT XYZ Turnover Data**

Quarter	Total Employees at Start	Employees Out	Employees In	Total Employees at End	Turnover Rate
2023 Q3	20	3	3	20	5,26%
2023 Q4	57	1	38	57	1,61%
2024 Q1	57	2	3	58	10,00%
2024 Q2	58	7	11	62	12,28%
2024 Q3	62	16	5	51	27,59%

Source: Secondary data processed by researchers, 2024

Table 1 shows that the turnover rate of outsourced employees at PT XYZ experienced significant fluctuations, with the highest rate recorded in the third quarter of 2024 at 27.59%. This high turnover percentage reflects the weak emotional attachment of employees to the organization (Fadhilah & Adiwati, 2022). Thus, these conditions indicate that outsourced employees at PT XYZ tend to have low commitment to the company. This finding was also reinforced through the results of a pre-survey, which showed that 70% of employees were willing to move if they got a job offer elsewhere, and 60%

did not feel they had a strong emotional bond with the company. These facts further confirm the existence of problems related to low organizational commitment among outsourced employees of PT XYZ.

Strengthening commitment in employees can be influenced by the compensation policies implemented by the company. Fair and competitive compensation is proven to increase employee loyalty and attachment to the organization (Martini & Susanto, 2024). Based on the results of pre-surveys and interviews, outsourced security at PT XYZ feels that the current compensation system is inadequate. Employees' extra efforts at work have not been matched by proper incentives, and the salary received is considered insufficient for their daily needs. In fact, the right compensation can increase job satisfaction and motivate employees to achieve company targets.

Job satisfaction also plays an important role in shaping employee loyalty and loyalty to the company. Employees who feel comfortable and satisfied with their jobs tend to stay longer and are able to show optimal performance. The results of a pre-survey on PT XYZ's outsourced security showed that 60% of respondents assessed that communication between superiors and subordinates had not been established effectively. In addition, as many as 80% of respondents stated that they did not feel proud to be part of the company, which indicated that the level of job satisfaction was still relatively low.

The phenomenon of low organizational commitment in the outsourced security workforce of PT XYZ needs attention because welfare, job security, and effective communication between superiors and employees are very important to build a sense of belonging to the company. This research is expected to be the basis for formulating policies that support the creation of a more stable and productive work environment. In addition, the differences in the results of previous studies regarding the relationship between compensation, job satisfaction, and organizational commitment in outsourcing personnel indicate a research gap. Therefore, this study aims to comprehensively examine the effect of compensation on organizational commitment, with job satisfaction as a mediating variable.

## LITERATURE REVIEW

### Compensation

Compensation is a form of reward given by the company to employees for their efforts and hard work in achieving expected performance (Safrila & Oktiani, 2024). There are two commonly used forms of compensation, namely direct compensation in the form of salary or cash payments, as well as indirect compensation such as insurance and other non-cash benefits (Rothwell & Kazanas, 2020). Compensation can be measured through several indicators, namely salary, benefits, incentives, and facilities and infrastructure provided by the company to employees (Febriana & Kustini, 2022).

### Job Satisfaction

Job satisfaction is a positive feeling that arises when employees enjoy their work, which is reflected through work morale, discipline, and achievement, both in the work environment and life outside work (Haqi & Swasti, 2024). The level of job satisfaction is influenced by financial factors and social relationships in the work environment (Kustini et al., 2022). When job satisfaction is high, this can increase employee commitment, encourage productivity, and strengthen the desire to remain in the organization. Indicators for measuring job satisfaction include impressions of the job itself, the quality of supervision from superiors, social relationships with coworkers, and promotion opportunities (Utomo & Santoso, 2021).

### Organizational Commitment

Organizational commitment is defined as an attitude that shows employee loyalty to the company and reflects ongoing involvement in supporting the progress and achievement of organizational goals (Ainan et al., 2022). Employees with a high level of ongoing commitment will stay in the organization, not simply because they want to, but because they feel there is a certain need or responsibility to do so. According to Robbins, organizational commitment can be measured using indicators of affective commitment, continuance commitment, and normative commitment (Akbar & Sukarno, 2024).

### RESEARCH FRAMEWORK

This framework illustrates how compensation affects organizational commitment, with job satisfaction as a mediating factor in this relationship. The conceptual framework of the relationship between variables in this study is as follows:



**Figure 1 Conceptual Framework**

### HYPOTHESIS

- H1: Compensation (X) has a positive and significant effect on Organizational Commitment (Y) to security outsourcing at PT XYZ.
- H2: Job Satisfaction (Z) mediates the effect of Compensation (X) on Organizational Commitment (Y) to security outsourcing at PT XYZ.

### RESEARCH METHOD

This research is based on quantitative methods in order to obtain objective and measurable data. The population in this study were all outsourced security employees of PT XYZ. The sampling technique used the saturated sampling method. Where all members of the population are used as samples in this study, namely 51 respondents. Data collection was carried out through the distribution of closed questionnaires which were arranged based on indicators in the research variables. The variable measurement scale used in this study is an ordinal scale with weighting techniques using a Likert scale. The data analysis technique uses Structural Equation Modeling based on Partial Least Squares (SEM-PLS). This technique is used to test the direct relationship between compensation and organizational commitment, as well as to analyze the mediating role of job satisfaction in the relationship model.

## RESULTS AND DISCUSSIONS

### Characteristics of Respondents

The age distribution of outsourced security employees at PT XYZ is dominated by the 36–40 year old group (21 people), followed by those over 40 years (13 people), 31–35 years (8 people), 25–30 years (6 people), and under 25 years (3 people). This pattern indicates that most employees are in a mature age group, which suggests they already have relatively stable work experience and readiness in carrying out security tasks.

### Outer Model

#### Convergent Validity

Convergent validity can be assessed by looking at the loading factor and AVE (Average Variance Extracted) values. Indicators are said to be valid in describing constructs if they have a loading factor above 0.7, because this value is considered to meet ideal criteria (Yuhana et al., 2024). In addition, the construct is also considered to have convergent validity if the AVE value reaches 0.50 or more (J. Hair & Alamer, 2022).

**Table 2 Loading Factor**

Construct	Compensation (X)	Organizational Commitment (Y)	Job Satisfaction (Z)
X1.1	0,875		
X1.2	0,859		
X1.3	0,906		
Y1.1		0,939	
Y1.2		0,952	
Y1.3		0,988	
Z1.1			0,814
Z1.2			0,911
Z1.3			0,804

Source: Data Analyzed, 2025

Referring to Table 2, all indicators in each construct have a loading factor value that exceeds the minimum threshold of 0.7. These results indicate that all indicators in this study are valid and suitable for use in the next stage of analysis. The facility indicator (X1.3) occupies the highest position in forming the compensation variable with a loading factor value of 0.906. Meanwhile, the loading factor value of 0.911 owned by the supervision indicator (Z1.2) shows that this indicator has the most dominant role in shaping the job satisfaction variable. Then, the normative commitment indicator (Y1.3) is the most prominent indicator in shaping the organizational commitment variable as reflected in the loading factor value of 0.988.

**Table 3 Average Variance Extracted (AVE)**

Variable	Average Variance Extracted (AVE)
Compensation (X)	0,775
Organizational Commitment (Y)	0,922
Job Satisfaction (Z)	0,713

Source: Data Analyzed, 2025

Based on Table 3, all variables in this study have an AVE value above 0.5. This condition shows that each construct is able to explain the variance of its constituent indicators well. Thus, all constructs used in this research model can be declared valid.

#### **Discriminant Validity**

Discriminant validity is used to measure the extent to which a construct can be distinguished from other constructs. This validity test is carried out through an analysis of the cross-loading value, where each indicator should show the highest value in the intended construct compared to the value in other constructs (J. Hair & Alamer, 2022).

**Table 4 Cross-Loading**

<b>Construct</b>	<b>Compensation (X)</b>	<b>Organizational Commitment (Y)</b>	<b>Job Satisfaction (Z)</b>
X1.1	<b>0,875</b>	0,381	0,342
X1.2	<b>0,859</b>	0,308	0,246
X1.3	<b>0,906</b>	0,541	0,416
Y1.1	0,439	<b>0,939</b>	0,610
Y1.2	0,469	<b>0,952</b>	0,668
Y1.3	0,495	<b>0,988</b>	0,673
Z1.1	0,436	0,581	<b>0,814</b>
Z1.2	0,292	0,669	<b>0,911</b>
Z1.3	0,251	0,428	<b>0,804</b>

Source: Data Analyzed, 2025

The cross-loading value in the table above shows that all indicators have met the criteria for discriminant validity. Indicators X1.1, X1.2, and X1.3 have cross-loading values of 0.875, 0.859, and 0.906, respectively, on the Compensation construct (X1), all of which are higher than their correlations with other constructs. This indicates that the indicators accurately represent the compensation construct. In the Organizational Commitment (Y) construct, indicators Y1.1, Y1.2, and Y1.3, show cross-loading values of 0.940, 0.951, and 0.988. These values are the highest in the right construct, so all three are considered valid in representing these variables. Meanwhile, in the Job Satisfaction (Z) construct, indicators Z1.1, Z1.2, and Z1.3, show cross-loading values of 0.814, 0.911, and 0.803. Because all of these values are greater than the correlation with other constructs, it can be concluded that these indicators are valid in representing job satisfaction variables.

#### **Reliability Test**

Testing construct reliability refers to two measures, namely the composite reliability value and Cronbach's alpha. A construct is declared reliable if its composite reliability value exceeds 0.7. Meanwhile, Cronbach's alpha with a value above 0.6 is still considered feasible and reflects a fairly good level of internal consistency (Yuhana et al., 2024).

**Table 5 Composite Reliability dan Cronbach's Alpha**

<b>Variable</b>	<b>Cronbach's Alpha</b>	<b>Composite Reliability</b>	<b>Explanation</b>
Compensation (X)	0,859	0,912	Reliable
Organizational Commitment (Y)	0,957	0,972	Reliable



Variable	Cronbach's Alpha	Composite Reliability	Explanation
Job Satisfaction (Z)	0,800	0,881	Reliable

Source: Data Analyzed, 2025

Based on table 5, it can be seen that the constructs in all variables have a composite reliability value of more than 0.7 and Cronbach's alpha above 0.6. This value reflects that the instrument used has met reliability standards. Thus, this measuring instrument is considered consistent and reliable in representing each construct.

### Inner Model

#### R-Square Analysis

The use of the R-square value aims to see the extent to which the independent variable is able to explain the variation that occurs in the dependent variable. The greater the R-square value obtained, the stronger the model is in explaining the effect on the observed variables. However, it should be noted that the addition of independent variables (regardless of their significance) can cause the R-square value to increase automatically (J. F. Hair et al., 2020).

**Table 6 R-Square**

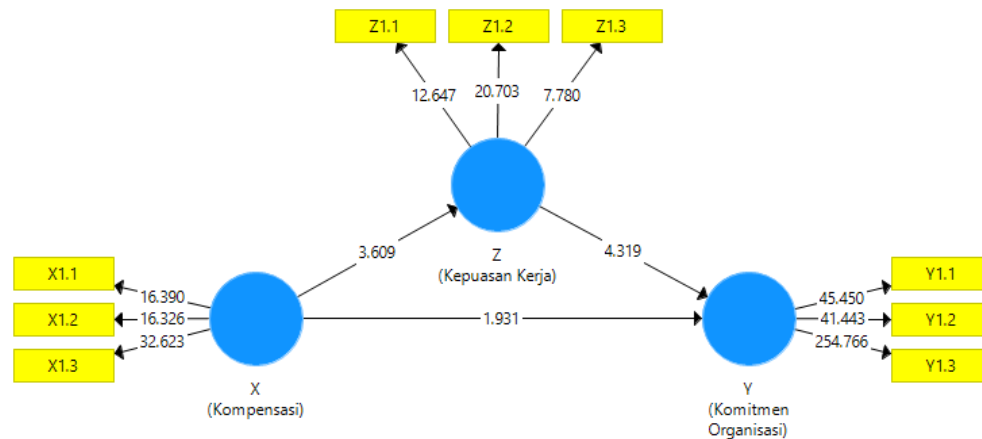
Variabel	R-Square
Organizational Commitment (Y)	0,518
Job Satisfaction (Z)	0,156

Source: Data Analyzed, 2025

Based on the analysis results in the table above, the R-square value for the organizational commitment variable is 0.518, which indicates that the model is included in the moderate category. This means that about 51.8% of the variation in organizational commitment can be explained by the compensation variable, while the rest is influenced by other factors outside the research model. Meanwhile, for the job satisfaction variable, the R-square value is 0.156. This value indicates that the model is in the weak category, with only 15.6% of the variation in job satisfaction explained by the variables in the study. This means that there are still many other factors that have the potential to affect job satisfaction but have not been included in this model.

### Hypothesis Testing

Hypothesis testing generally looks at the path coefficients section, which consists of the original sample (O), t-statistic, and p-value. Hypothesis testing in this study uses a one-way test (one-tailed). So that the relationship is said to be significant if the t-statistic value > 1.645 and p-value < 0.05 at the 5% significance level (Maliki & Rini, 2024). The following are pictures and tables of path analysis results in this study:



**Figure 2 Path Coefficient (Bootstapping)**

**Table 7 Significance Value**

	Original Sample (O)	T Statistics ( O/STDEV )	P Values
Compensation (X) -> Organizational Commitment (Y)	0,261	1,931	0,027
X (Kompensasi) -> Job Satisfaction (Z) -> Organizational Commitment (Y)	0,227	2,825	0,002

Source: Data Analyzed, 2025

The results of hypothesis testing show that compensation is proven to have a positive effect on organizational commitment, with a path coefficient of 0.261. The t-statistic value reaches 1.931, which crosses the threshold of 1.645 and the p-value is 0.027, which is smaller than 0.05. This indicates that the relationship is statistically significant and the first hypothesis (H1) is accepted.

In addition, the analysis also shows that compensation mediated by job satisfaction has a significant positive effect on organizational commitment. The path coefficient of 0.227 accompanied by a t-statistic of 2.825 and a p-value of 0.002 confirms that this indirect relationship is significant. Thus, job satisfaction is proven to be an effective mediator in strengthening the effect of compensation on organizational commitment, so the second hypothesis (H2) is accepted.

## Discussion

### Compensation Affects Organizational Commitment

This study proves that compensation has a positive and significant effect on organizational commitment in outsourced security employees at PT XYZ. The results of the loading factor analysis show that indicator X1.3, namely facilities, is the most dominant component in forming the compensation variable. This finding leads to the conclusion that the facilities provided by the company are the form of compensation for which employees feel the most benefit. In working as outsourced security personnel, work facilities have an important role because they support comfort and smoothness in carrying out daily tasks (Alzhrani, 2020). When employees feel that their efforts are properly appreciated, a sense of belonging to the company will grow, accompanied by a desire to stay and make the best contribution (Akbar & Sukarno, 2024).



### **Compensation Affects Organizational Commitment Through Job Satisfaction**

The results of this study indicate that job satisfaction acts as a significant mediating variable in the relationship between compensation and organizational commitment in outsourced security employees at PT XYZ. The compensation provided by this company, such as salary, facilities, and awards, plays an important role in increasing the job satisfaction of outsourced security employees. When employees feel that the compensation received is appropriate and fair, they become more satisfied with their work and work environment. This satisfaction is also influenced by supervisor support and open communication within the organization.

Job satisfaction then strengthens the relationship between compensation and organizational commitment. Satisfied employees tend to feel more comfortable and motivated to stay and make the best contribution (Indarwati & Harsono, 2022). In addition to the material aspect, awards in the form of certificates and gifts add to the sense of being valued which makes the emotional bond with the company stronger. Thus, good compensation can encourage job satisfaction while increasing employee commitment to the organization.

### **CONCLUSION**

The results of the discussion and testing in this study conclude that compensation is proven to have a positive and significant influence on organizational commitment. Work facilities as an indicator of compensation are the most dominant element that shapes the level of employee commitment. In addition, job satisfaction is also proven to act as a mediating variable in the relationship between compensation and organizational commitment. Employees who feel satisfied with compensation, especially related to work facilities and fair and supportive supervision, tend to show a higher level of commitment to the company. Thus, the company is advised to continue to improve the quality of work facilities and transparent communication. This is because complete and comfortable facilities and communicative supervision greatly influence the satisfaction and commitment of outsourced security to the company.

### **REFERENCES**

- Ainan, M., Hadi, S., & Wisanggeni, N. W. A. (2022). Pengaruh Job Insecurity Terhadap Komitmen Organisasi Serta Implikasinya Pada Kinerja Karyawan Selama Pandemi Covid 19 Varian Omicron. *EKOBIS: Jurnal Ilmu Manajemen dan Akuntansi*, 10(2), 262–271. <https://doi.org/10.36596/ekobis.v10i2.841>
- Akbar, N. Al, & Sukarno, G. (2024). Analisis Employee Engagement, Komitmen Organisasi, Rotasi Pekerjaan dan Kompensasi terhadap Kinerja Karyawan pada PT. Asuransi Jasindo Syariah. *Al-Kharaj: Jurnal Ekonomi, Keuangan & Bisnis Syariah*, 6(1), 718–736. <https://doi.org/10.47467/alkharaj.v6i1.3900>
- Alzhrani, A. M. (2020). Outsourcing Human Resource Functions and their Impact on Organizational Performance. *Global Journal of Management and Business Research: A Administration and Management*, 20(4).
- Fadhilah, Y., & Adiwati, M. R. (2022). Kepuasan Kerja dan Motivasi Kerja terhadap Komitmen Organisasi Karyawan. *Journal of Management and Bussines (JOMB)*, 4(2), 1134–1146. <https://doi.org/10.31539/jomb.v4i2.4459>
- Febriana, A., & Kustini, K. (2022). Dampak Kompensasi dan Beban Kerja Terhadap Loyalitas Karyawan Pada PT. Berlian Multi Sejahtera. *Scientific Journal Of Reflection: Economic, Accounting, Management and Business Vol.*, 5(3), 656–664.

- Hair, J., & Alamer, A. (2022). Partial Least Squares Structural Equation Modeling (PLS-SEM) in second language and education research: Guidelines using an applied example. In *Research Methods in Applied Linguistics*.
- Hair, J. F., Howard, M. C., & Nitzl, C. (2020). Assessing measurement model quality in PLS-SEM using confirmatory composite analysis. *Journal of Business Research*, 109(December 2019), 101–110. <https://doi.org/10.1016/j.jbusres.2019.11.069>
- Haqi, F. I., & Swasti, I. K. (2024). The Influence Of Compensation and Work Motivation on Job Satisfaction of Gojek Surabaya Drivers. *Management Science Research Journal*, 3(4), 91–99.
- Indarwati, D. A., & Harsono, Y. T. (2022). Pengaruh Kepuasan Kerja dan Job Insecurity Terhadap Turnover Intention Karyawan Outsourcing PT X. *Jurnal Flourishing*, 2(2), 91–96. <https://doi.org/10.17977/10.17977/um070v2i22022p91-96>
- Kustini, K., Purwanto, S., & Rosyanti, D. M. (2022). Remuneration, Organizational Commitment, and Job Satisfaction: The Effects on Lecturer Performance A Study at UPN Veteran Jawa Timur. *Economics and Business Quarterly Reviews*. <https://doi.org/10.31014/aior.1992.05.02.411>
- Maliki, D. O., & Rini, H. P. (2024). Pengaruh Selfefficacy dan Pengalaman Magang MSIB Terhadap Kesiapan Kerjamahasiswa Prodi Manajemen. *Jurnal Ilmiah MEA (Manajemen, Ekonomi, dan Akuntansi)*, 8(3), 1397–1411.
- Martini, N. N. P., & Susanto, N. E. (2024). Dampak Kompensasi Dan Lingkungan Kerja Terhadap Komitmen Organisasional Melalui Kepuasan Kerja Tenaga Kebersihan Di Universitas Jember. *Jurnal Sains Manajemen dan Bisnis Indonesia*, 14(1), 34–40. <https://doi.org/10.32528/jsmbi.v14i1.23147>
- Purwadiseni, N. L. P. W. S., Sugianingrat, I. . P. W., & Sanjaya, P. K. A. (2021). Peran Kepuasan Kerja Memediasi Pengaruh Kompensasi Finansial terhadap Komitmen Organisasional Karyawan PT Lintas Mitra Anugerah Sejati Denpasar. *Widya Amrita, Jurnal Manajemen, Kewirausahaan dan Pariwisata*, 1(3), 909–919.
- Romdlon, M. S., Sudiarditha, I. K. R., & Eryanto, H. (2021). The Mediating Role of Motivation and Job Satisfaction in the Relationship between Compensation and Organizational Commitment in Micro Finance Institutions. *Jurnal Manajemen*, 12(1), 37. <https://doi.org/10.32832/jm-uika.v12i1.4024>
- Rosita, I. (2022). Pengaruh Job Insecurity, Kompensasi dan Kepuasan Kerja Terhadap Loyalitas Karyawan Bagian Produksi PT Karya Mitra Budisentosa Madiun. *Seminar Inovasi Majemen Bisnis Dan Akuntansi 4, September*.
- Rothwell, W. J., & Kazanas, H. C. (2020). *Planning and Managing Human Resources* (6 ed.). Human Resource Development Press, Inc. <http://www.hrdpress.com>
- Safrila, A., & Oktiani, N. (2024). Pengaruh Kompensasi dan Disiplin Kerja Terhadap Kepuasan Kerja. *JIBEMA: Jurnal Ilmu Bisnis, Ekonomi, Manajemen, dan Akuntansi*, 2(1), 35–49. <https://doi.org/10.62421/jibema.v2i1.51>
- Utomo, W. A., & Santoso, B. (2021). Pengaruh Kompensasi, Budaya Organisasi, dan Lingkungan Kerja terhadap Kepuasan Kerja Karyawan di PT. Swabina Gatra Kantor Perwakilan Tuban. *Jurnal E-Bis (Ekonomi-Bisnis)*, 5(2), 449–461.
- Yuhana, Setiawan, D., & Utomo, P. E. P. (2024). Analisis Sistem E-Dimas Universitas Jambi dengan Pendekatan HOT-FIT Model. *Jurnal Sistem Informasi Bisnis*, 14(1), 1–11. <https://doi.org/10.21456/vol14iss1pp77-87>