

THE INFLUENCE OF WORK DISCIPLINE, WORK MOTIVATION, AND CAREER DEVELOPMENT ON EMPLOYEE PERFORMANCE WITH ORGANIZATIONAL CULTURE AS A MEDIATING VARIABLE AT BANK BPD DIY SYARIAH YOGYAKARTA

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Abstract

This study aims to examine and analyze the influence of work discipline, work motivation, and career development on employee performance, with organizational culture as a mediating variable, at Bank BPD DIY Syariah Yogyakarta. The population consisted of 126 employees, and a saturated sampling technique was applied, yielding 100 respondents. Data were analyzed using Structural Equation Modeling with Partial Least Squares (SEM-PLS) in SmartPLS. The results show that work discipline, work motivation, and career development have a positive and significant effect on employee performance, while organizational culture does not have a significant direct effect and does not mediate the influence of the three predictor variables on performance. These findings indicate that employee performance is more strongly supported directly by work discipline, motivation, and career development, whereas organizational culture requires other mechanisms to exert a significant impact on performance.

Keywords: Work Discipline, Work Motivation, Career Development, Organizational Culture, Employee Performance.

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INTRODUCTION

Human resources are a strategic asset that determines an organization's success in achieving its corporate goals. In the Islamic banking industry, the quality of human resources is an important factor because this sector is not only profit-oriented but also upholds sharia principles in its services and operations. Good human resource management has been shown to have a significant effect on improving banking organizational performance (Medina-Garrido et al., 2023). The fairly rapid development of the Islamic banking industry in Indonesia, along with increasing competition among financial institutions, requires companies to have human resources that are qualified, professional, and able to work effectively (Aziz et al., 2025).

Employee performance is one of the key indicators of a company's success in achieving its vision and mission, as it is closely related to service quality, customer satisfaction, and the company's competitiveness (Elbawab, 2024). Various studies show that improvements in employee performance in the banking sector are influenced by internal organizational factors such as work discipline, organizational culture, work motivation, and career development

(Nosratabadi et al., 2020; Lompoliuw et al., 2021). As one of the regional sharia-based financial institutions, Bank BPD DIY Syariah faces challenges in maintaining consistent employee performance, particularly regarding discipline, work motivation, and employee career development opportunities, including at its Krapyak Yogyakarta operational unit.

Work discipline is the willingness and commitment of employees to comply with the rules, procedures, and work standards of an organization, which is closely related to customer service, financial management, and regulatory compliance (Glushko, 2020). Work motivation, whether derived from material factors (salary, incentives, promotion) or non-material factors (work environment, recognition, Islamic values), also encourages employees to work more professionally and productively (Magau, 2025; Alkandi et al., 2023). In addition, career development through education, training, and promotion is an important aspect that increases employee loyalty, motivation, and productivity when managed fairly and transparently (Laras et al., 2022).

On the other hand, organizational culture, as a system of values, norms, and habits that guide the behavior of organizational members, is considered to have a strategic role in strengthening the influence of work discipline, work motivation, and career development on employee performance (Mufti et al., 2025; Lase et al., 2025). However, previous research findings have not been consistent. Chasanah, Dalimunthe, and Lumbanraja (2025) found that organizational culture helps shape a work environment that affects productivity, while Roos, Reale, and Banning (2021) explained that the effect of work discipline and career development on employee performance would be more optimal when mediated by organizational culture. This inconsistency in empirical results underlies the importance of further research.

Based on the above description, this study aims to examine and analyze the influence of work discipline, work motivation, and career development on employee performance, both directly and through organizational culture as a mediating variable, among employees of Bank BPD DIY Syariah Yogyakarta. This study is expected to provide a theoretical contribution to the development of human resource management science, while also serving as an evaluation tool for company management in designing policies to improve employee performance through the strengthening of work discipline, career development, and effective organizational culture.

RESEARCH METHOD

This study used a quantitative method with a survey approach to examine the influence of work discipline, work motivation, and career development on employee performance, with organizational culture as a mediating variable, at Bank BPD DIY Syariah Yogyakarta, located at Jalan DI Panjaitan No. 132, Yogyakarta. The study population consisted of all 126 employees of Bank BPD DIY Syariah Yogyakarta. The sampling technique used was saturated sampling (total sampling), a sample determination technique in which all members of the population are used as the research sample, resulting in 100 respondents who were willing to participate and met the research criteria.

Primary data were collected through a questionnaire developed based on the indicators of each variable and measured using a Likert scale. Data analysis was carried out using a Structural Equation Modeling approach based on Partial Least Square (SEM-PLS) with SmartPLS software, chosen because it is predictive, flexible, and suitable for models with reflective indicators as well as relatively limited sample sizes. The analysis stages included validity testing (outer loading, AVE, cross loading, Fornell-Larcker criterion, and HTMT), reliability testing

(Cronbach's Alpha and Composite Reliability), structural model evaluation (R-Square), and hypothesis testing through a bootstrapping resampling procedure to obtain path coefficient values (original sample), T-statistics, and P-values at a 5% significance level.

RESULTS AND DISCUSSION

Respondent Characteristics

The characteristics of the respondents, in terms of age, gender, education level, and length of employment, are presented in Tables 1 to 4.

Table 1. Respondent Characteristics Based on Age

No	Age (Years)	Number of Respondents	Percentage
1	17-25	32	32%
2	26-35	37	37%
3	36-45	21	21%
4	>45	10	10%
Total		100	100%

Source: Primary data, 2026

Table 2. Respondent Characteristics Based on Gender

No	Gender	Number of Respondents	Percentage
1	Male	40	40%
2	Female	60	60%
Total		100	100%

Source: Primary data, 2026

Table 3. Respondent Characteristics Based on Education Level

No	Education	Number of Respondents	Percentage
1	S2	18	18%
2	S1	75	75%
3	D3	7	7%
Total		100	100%

Source: Primary data, 2026

Table 4. Respondent Characteristics Based on Length of Employment

No	Length of Employment	Frequency	Percentage
1	≤ 3 Years	30	30%
2	> 3 Years	70	70%
Total		100	100%

Source: Primary data, 2026

Based on Tables 1 to 4, the majority of respondents were in the 26-35 year age group (37%), female (60%), held a bachelor's degree (S1) (75%), and had worked for more than 3 years (70%). These characteristics indicate that most of the respondents were employees of productive age with a level of education and work experience sufficient to provide representative assessments of the research variables.

Validity and Reliability Testing

The outer model test results show that all indicators of the Work Discipline, Work Motivation, Career Development, Employee Performance, and Organizational Culture variables have outer loading, Average Variance Extracted (AVE), cross loading, Fornell-Larcker criterion, and Heterotrait-Monotrait Ratio (HTMT) values that meet the criteria for convergent and discriminant validity. The reliability test results are presented in Table 5.

Table 5. Cronbach's Alpha and Composite Reliability Values

Variable	Cronbach's Alpha	Composite Reliability (rho_a)	Composite Reliability (rho_c)
Organizational Culture	0,990	0,991	0,991
Work Discipline	0,984	0,984	0,985
Employee Performance	0,988	0,989	0,989
Work Motivation	0,983	0,984	0,985
Career Development	0,976	0,977	0,979

Source: Processed primary data, 2026

The Cronbach's Alpha values for all constructs range from 0.976-0.990, and the Composite Reliability (rho_c) values range from 0.979-0.991, both of which exceed the minimum threshold of 0.70. Thus, all research instruments are declared reliable and suitable for further analysis in the SEM-PLS model.

Structural Model Evaluation (Inner Model)

Structural model evaluation was carried out using R-Square values, path coefficients, and the level of significance between variables. The R-Square test results are presented in Table 6.

Table 6. R-Square Values

Variable	R-Square
Organizational Culture	0,488
Employee Performance	0,617

Source: Processed primary data, 2026

The R-Square value for Organizational Culture of 0.488 indicates that Work Discipline, Work Motivation, and Career Development together are able to explain 48.8% of the variance in Organizational Culture. Meanwhile, the R-Square value for Employee Performance of 0.617 indicates that Work Discipline, Work Motivation, Career Development, and Organizational Culture are able to explain 61.7% of the variance in Employee Performance, while the remainder is explained by other factors outside the research model.

The structural model resulting from the bootstrapping test, showing the outer loading values of each indicator and the path coefficients between latent variables, is presented in Figure 1.

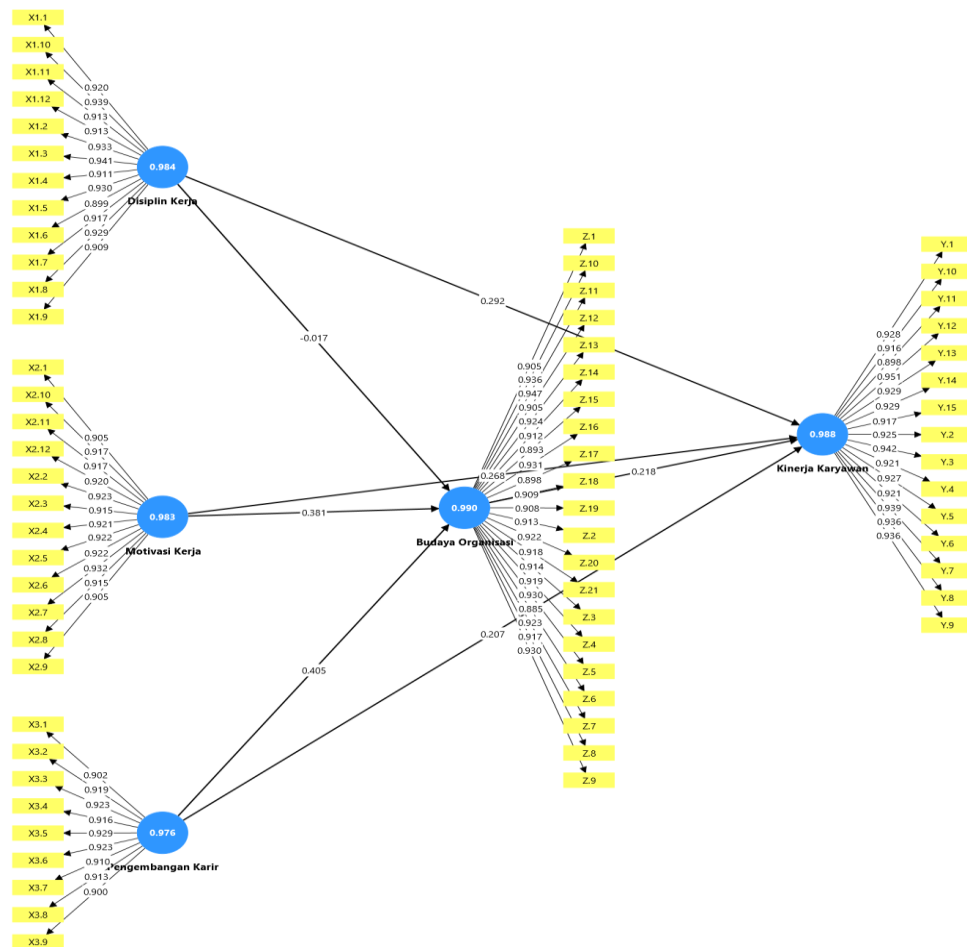


Figure 1. SEM-PLS Structural Model (Outer Loading and Path Coefficient)

Hypothesis Testing

Hypothesis testing was carried out through a bootstrapping resampling procedure to obtain original sample values, T-statistics, and P-values at a 5% significance level. The test results are presented in Table 7.

Table 7. Path Coefficient Values

Influence Path	Original Sample (O)	Sample Mean (M)	Std. Deviation	T Statistics	P Values	Description
Organizational Culture -> Employee Performance (H1)	0,218	0,220	0,115	1,901	0,057	Not Significant
Work Discipline -> Organizational Culture (H2)	-0,017	-0,017	0,088	0,199	0,842	Not Significant

Influence Path	Original Sample (O)	Sample Mean (M)	Std. Deviation	T Statistics	P Values	Description
Work Discipline -> Employee Performance (H3)	0,292	0,291	0,065	4,503	0,000	Significant
Work Motivation -> Organizational Culture (H4)	0,381	0,384	0,095	4,009	0,000	Significant
Work Motivation -> Employee Performance (H5)	0,268	0,263	0,096	2,805	0,005	Significant
Career Development -> Organizational Culture (H6)	0,405	0,404	0,087	4,658	0,000	Significant
Career Development -> Employee Performance (H7)	0,207	0,212	0,086	2,405	0,016	Significant

Source: Processed primary data, 2026

Overall, the test results show that Work Discipline, Work Motivation, and Career Development have a positive and significant effect on Employee Performance. Work Motivation and Career Development also have a positive and significant effect on Organizational Culture. However, Work Discipline does not have a significant effect on Organizational Culture, and Organizational Culture is not proven to have a significant effect on Employee Performance at the 5% significance level. These findings indicate that the improvement of employee performance at Bank BPD DIY Syariah Yogyakarta is more directly related to work discipline, work motivation, and career development than to the direct influence of organizational culture.

Discussion

Work Discipline on Employee Performance. The SEM-PLS analysis results show that work discipline has a positive and significant effect on employee performance (path coefficient 0.292; T-statistics 4.503; P-values 0.000). In a banking work environment, discipline holds an important position because work activities are largely related to procedures, punctuality, responsibility, and accuracy, in line with the view of Santos and Reis (2022) that work discipline creates order and encourages consistency in carrying out responsibilities. This finding reinforces the results of Sinaga, Silaen, and Aprian (2021) and Rahman et al. (2023), although it differs from the findings of Muna and Isnawati (2022), who found no significant effect, a difference that can be explained by differing job characteristics and organizational systems.

Work Motivation on Employee Performance. Work motivation is shown to have a positive and significant effect on employee performance (path coefficient 0.268; T-statistics 2.805; P-values 0.005). Employees with a strong drive to achieve goals and develop their abilities tend to show higher performance, in line with the findings of Muna and Isnawati (2022) and Rahman et al. (2023). Mukrodi and Sarwani (2023) also found that motivation and work discipline together contribute positively to performance, while Medina-Garrido et al. (2023) emphasized

the importance of organizational conditions that support employee well-being as a driver of motivation.

Career Development on Employee Performance. Career development has a positive and significant effect on employee performance (path coefficient 0.207; T-statistics 2.405; P-values 0.016). In line with Patton and McMahon (2014), who view career progression as a dynamic and continuous process, opportunities for growth give employees a reason to improve their competence and the quality of their work. This result is consistent with the findings of Sinaga, Silaen, and Aprian (2021), Muna and Isnawati (2022), and Rahman et al. (2023).

Organizational Culture on Employee Performance. Unlike the three previous variables, organizational culture has not shown a significant effect on employee performance (path coefficient 0.218; T-statistics 1.901; P-values 0.057), even though respondents' perceptions of organizational culture were generally positive. This result is in line with Hasan (2023), who found that organizational culture affects performance through intermediary mechanisms such as organizational learning and employee engagement, but differs from Dharma et al. (2023), who found a positive direct effect, suggesting that the effectiveness of organizational culture appears to depend on the characteristics of each organization.

The Mediating Role of Organizational Culture. Work discipline does not have a significant effect on organizational culture (path coefficient -0.017; P-values 0.842), indicating that discipline is more of an individual behavior in carrying out tasks, differing from the findings of Purba et al. (2023), who found organizational culture to act as an intervening variable. In contrast, work motivation and career development each have a positive and significant effect on organizational culture (path coefficients 0.381 and 0.405). However, because the direct effect of organizational culture on employee performance is not significant, the mediating role of organizational culture in the relationship between work discipline, work motivation, and career development with employee performance cannot yet be conclusively determined without further specific indirect effect testing.

Academic Implications

The findings of this study enrich the field of human resource management, particularly in the context of Islamic banking in Indonesia, by showing that improvements in employee performance are more strongly supported directly by work discipline, work motivation, and career development than through organizational culture. These results confirm that organizational culture has a more complex relational pattern and requires other mechanisms, such as employee engagement or job satisfaction, in order to produce a significant impact on performance.

CONCLUSION

This study shows that work discipline, work motivation, and career development have a positive and significant effect on the employee performance of Bank BPD DIY Syariah Yogyakarta. Work motivation and career development also have a positive and significant effect on organizational culture, while work discipline does not show a significant relationship with organizational culture. Organizational culture itself is not proven to have a significant direct effect on employee performance, so its role as a mediating variable between work discipline, work motivation, and career development on employee performance could not be convincingly demonstrated in this study.

Overall, the employee performance of Bank BPD DIY Syariah Yogyakarta is more strongly supported by strengthening work discipline, maintaining work motivation, and providing sustainable career development opportunities, rather than relying solely on building organizational culture. Management is advised to implement consistent work rules, provide appreciation for employee achievements, strengthen a transparent career development system, and internalize organizational cultural values into everyday work behavior. Future research is recommended to expand the object and number of respondents, add other variables such as job satisfaction or employee engagement, and specifically test the specific indirect effect to gain a more comprehensive understanding of the role of organizational culture.

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