

ABSTRACT

This study aims to analyze the impact of work motivation and job satisfaction on employee performance at PT XYZ, an automotive company in Indonesia experiencing a decline in sales. This decline is believed to be due to low levels of employee job satisfaction and work motivation, which directly affect their performance. The research adopts a quantitative approach with a descriptive and causal design. The population consists of 516 employees of PT XYZ, with a sample size of 225 respondents calculated using the Slovin formula. Data analysis was conducted using Structural Equation Modeling - Partial Least Squares (SEM-PLS) with SmartPLS software. The results indicate that work motivation has a highly significant effect on job satisfaction (t -statistic = 14.525, p -value = 0.000), work motivation also significantly influences employee performance (t -statistic = 3.588, p -value = 0.000), and job satisfaction significantly affects employee performance (t -statistic = 14.107, p -value = 0.000). Furthermore, the study reveals that job satisfaction plays a significant mediating role between work motivation and employee performance (t -statistic = 9.011, p -value = 0.000). All hypotheses proposed in this study were accepted.

Keywords: *Work Motivation, Job Satisfaction, and Employee Performance*