

The Role of Career Development as a Mediator in the Relationship Between Emotional Intelligence, Work Engagement, and Work Motivation and the Performance of Generation Z Employees at PT. Asuransi Sinar Mas

D. Wahyu Baswara Seta*, Fermico Karambut, Enny Haryanti, Sulistyowati

STIE Indonesia Banking School, Indonesia

Email: wahyu.20242111068@ibs.ac.id*, Fermico.karambut@ibs.ac.id,

Enny.haryanti@ibs.ac.id, Sulistyowati@ibs.ac.id

Keywords:

emotional intelligence, job engagement, work motivation, career development, employee performance, Generation Z

Abstract

The increasing presence of Generation Z in the workforce has created new challenges for organizations, particularly in managing employee performance through approaches that align with their characteristics, such as self-development orientation, career expectations, and meaningful work experiences. In the insurance industry, employee performance is a critical factor in maintaining competitiveness; however, psychological factors such as emotional intelligence, work engagement, and work motivation may not always directly improve performance without adequate organizational support. This study aims to examine the role of career development as a mediating variable in the relationship between emotional intelligence, work engagement, work motivation, and the performance of Generation Z employees at PT Asuransi Sinar Mas. This research employed a quantitative explanatory approach using Partial Least Squares Structural Equation Modeling (PLS-SEM). Data were collected through questionnaires distributed to Generation Z employees selected using purposive sampling based on specific criteria. The findings indicate that emotional intelligence, work engagement, and work motivation do not have a direct significant effect on employee performance. However, these three factors have a positive and significant effect on career development, while career development significantly improves employee performance. Furthermore, career development was proven to function as a full mediating variable that bridges psychological factors and performance outcomes. The study concludes that organizations should strengthen structured career development systems through training, mentoring, and transparent career pathways to optimize Generation Z employee performance.

INTRODUCTION

The insurance industry in Indonesia is experiencing rapid growth, driven by increasing public awareness of financial protection and the development of digitalization of services (OJK, 2021; Anshori, 2024). However, the success of an insurance company is determined not only by business strategy and technology, but also by the quality of human resources who are able to adapt to change, work collaboratively, and maintain high performance. PT Asuransi Sinar Mas, as one of the leading insurance companies, faces significant challenges in managing Generation Z employees. Internally, it shows an average score of 3.6 on a scale of 5. In addition, the KPI achievement of Gen Z employees varies between 70–85%, indicating that there is an

opportunity to improve performance effectiveness through more systematic management (Doan & Wu, 2025; Saraiva & Nogueiro, 2025; Tarigan et al., 2022).

The challenges of human resource management have become increasingly complex with the entry of Generation Z as a group that has begun to dominate the workforce in the insurance industry. Generation Z has different characteristics compared to previous generations, such as a high orientation to self-development, clarity of career paths, and the need for a supportive and meaningful work environment (Yu, 2022). Previous research shows that Generation Z tends to have a high level of work engagement, but also has high expectations for rapid and sustainable career development opportunities (Zarkasyi, 2024). If these expectations are not managed properly, this condition has the potential to have an impact on the performance and sustainability of employee contributions in the organization (Albrecht et al., 2015; Bush, 2020; Saratun, 2016).

Human resource management practices in many organizations still tend to focus on technical and administrative aspects, so they pay less attention to employee psychological factors. In fact, emotional intelligence, work engagement, and work motivation are important factors that affect work behavior and employee potential in achieving optimal performance (Aristawati et al., 2021; Mukhlisa et al., 2023).

Emotional intelligence allows individuals to manage emotions and work relationships adaptively, while work engagement reflects psychological engagement that drives dedication and productivity. Work motivation acts as an internal driver that determines the intensity and consistency of employee efforts. The combination of these three factors theoretically contributes to improved performance, especially in Generation Z who have a high orientation towards self-development and work meaning (Barhate & Hirudayaraj, 2026; DeCarvalho, 2025; Salvadorinho et al., 2024).

Previous research results show that the influence of psychological factors on performance is not always consistent and does not always occur directly. Some studies show that these relationships are influenced by certain organizational mechanisms, so intervening variables are needed that are able to explain the process.

Career development is an important factor that has the potential to play a role as a mediating variable. Career development not only serves as a means of improving competence, but also as an organizational mechanism that bridges the psychological potential of individuals with the achievement of sustainable performance (Greenhaus et al., 2010). This is becoming increasingly relevant for Generation Z employees who have high expectations for career path clarity and self-development opportunities.

Many previous studies have focused on the relationship between emotional intelligence, work engagement, work motivation, and employee performance, which have shown a significant influence on performance improvement. However, most of these studies use job satisfaction as a mediator, and not many have examined career development as a mediator. In addition, previous research has not specifically highlighted Generation Z, and it is still rarely done in the insurance industry in Indonesia. This confirms that there are research gaps that need to be filled, considering that Gen Z has unique characteristics related to expectations for career development paths and development opportunities in organizations.

The performance of Generation Z employees in the insurance industry still presents its own challenges, especially related to loyalty, engagement, and career development. The

company's internal data shows a relatively high turnover rate among Generation Z employees, which indicates the need for a more adaptive human resource management strategy that is relevant to the characteristics of this generation. Previous research has also shown that there is variation in outcomes related to the influence of motivation, emotional intelligence, and engagement on employee performance, with some studies finding contradictory results between different industries (Abdurrahman & Suryani, 2021; Afsar et al., 2019). This phenomenon confirms that although Generation Z has high potential, without a clear career development path and organizational support, their performance cannot be optimized to the maximum. Thus, this study aims to examine the role of career development in mediating the influence of psychological factors such as emotional intelligence, work engagement, and work motivation on the performance of Generation Z employees at PT Asuransi Sinar Mas. The study not only strengthens theoretical understanding, but also makes a practical contribution to companies in designing more effective career management policies.

The characteristics of Generation Z are different from previous generations, with a high orientation on self-development, clarity of career paths, and the need for a supportive work environment (Yu, 2022; Zarkasyi, 2024). Previous research shows that psychological factors such as emotional intelligence, work engagement, and work motivation play an important role in improving performance (Aristawati et al., 2021; Mukhlisa et al., 2023). However, the influence of these psychological factors is not always immediate; Organizational mechanisms such as career development are needed to bridge individual potential into optimal performance (Greenhaus et al., 2010).

This research focuses on the role of career development as a mediator that connects psychological factors and the performance of Generation Z employees at PT Asuransi Sinar Mas. With actual company data, the research is expected to provide not only theoretical contributions but also practical guidance for more adaptive and effective human resource management.

METHOD

Sampling Techniques

a. Data Type

The population of this study was all Generation Z employees at PT Asuransi Sinar Mas, namely employees who were born in the Generation Z range and have had at least one year of work experience. This restriction is carried out so that respondents have an adequate understanding of the career development system and performance demands in the company. The sampling technique used is *non-probability purposive sampling*, which is sampling based on certain criteria that are relevant to the research purpose. These criteria include: employees including Generation Z, have worked for at least one year, and are directly involved in the company's operational activities. The selection of *purposive techniques* is considered appropriate because the research focuses on specific groups that have characteristics relevant to the variables being studied, as well as facilitating the collection of data required for the analysis of SEM-PLS. The number of respondents was determined based on *the principle of the SEM-PLS rule of thumb*, which is at least ten times the number of structural paths leading to one construct, so that the sample size is sufficient to test the model validly and reliably. Data collection was carried out through an online questionnaire or directly to respondents,

accompanied by an explanation of the purpose of the research and a guarantee of confidentiality. In addition, secondary data from official company documents and limited interviews or FGDs were used to reinforce the interpretation of the results of the quantitative analysis.

In this study, the data collected is divided into two main categories: primary data and secondary data. Primary data were obtained directly from the analysis unit for research purposes, through the survKE method and interviews with respondents. This data is in the form of direct measurements of the variables of emotional intelligence, *job engagement*, work motivation, career development, and work performance of Generation Z employees at PT. Sinar Mas Insurance. Secondary data, on the other hand, is obtained from official sources that have been published or issued by the company, such as financial statements, annual reports, organizational documents, and other internal publications. The secondary data is used to strengthen the analysis and provide a more complete context picture of the organizational conditions and characteristics of the companies that are the object of the research. This study uses a quantitative approach with the type of explanatory research. This approach was chosen because the study aims to elucidate the causal relationship between emotional intelligence, *work engagement*, and work motivation on employee performance, with career development as a mediating variable. This study not only examines the direct influence between variables, but also emphasizes the testing of the role of career development as a mechanism that bridges the influence of individual psychological factors on the performance of Generation Z employees at PT Asuransi Sinar Mas.

b. Data Collection Techniques

The primary data collection in this study was carried out using the survKE method through the distribution of structured questionnaires based on the Likert scale of 1–6 to respondents who met the research criteria. The questionnaire was chosen because it is effective in measuring psychological constructs such as emotional intelligence, *work engagement*, work motivation, career development, and employee performance quantitatively and allows for systematic processing of statistical data.

The research population is all Generation Z employees at PT Asuransi Sinar Mas, namely employees who are included in the range of Generation Z's birth years and have worked in the company for a certain period of time. This population restriction is carried out so that respondents have adequate work experience and sufficient understanding of the career development system and performance demands in the company.

The sample determination technique used is *purposive sampling*, which is a sampling technique with certain criteria that are relevant to the research purpose. The criteria for respondents include:

1. employees belong to the category of Generation Z,
2. have worked at PT Asuransi Sinar Mas for at least one year, and
3. directly involved in the company's operational activities.

The selection of *the purposive sampling technique* is considered appropriate because this study focuses on a group of respondents with specific characteristics that are in accordance with the variables studied. The number of samples is adjusted to the needs of SEM-PLS analysis, which does not require a large sample size but still considers the sufficiency of the data to test the structural model validly and reliably. Therefore, the number of respondents was determined

based on *the principle of* the rule of thumb SEM-PLS, which is at least ten times the number of structural paths leading to a single construct in the research model.

The questionnaire is technically sent online using online survey platforms (such as *Google Forms*) to facilitate distribution and filling out by respondents. The questionnaire link is disseminated through the company's internal communication media or directly to respondents who meet the criteria. Each respondent was given a brief explanation of the purpose of the research and the guarantee of data confidentiality to increase the level of participation and honesty in filling out the questionnaire.

Secondary data in this study was obtained from published company documents, such as annual reports, performance reports, and human resource development policy documents accessed online during the research process. The secondary data is used as supporting information to strengthen the research context and assist in the interpretation of quantitative analysis results. In addition to the main data collection through questionnaires, this study is also equipped with in-depth interviews and/or *limited Focus Group Discussions* (FGD) conducted after the results of the SEM-PLS analysis are obtained. These interviews are not intended as the primary method of research, but rather as a supportive approach to deepen and explain quantitative findings.

The interview was conducted with HR management and several relevant employees, with the aim of obtaining a contextual understanding of the results of hypothesis testing, especially related to the role of career development as a mediating variable and the relationship between psychological factors and the performance of Generation Z employees. With this approach, the research remains based on explanatory quantitative design, while qualitative data serves to enrich the discussion of results and increase the interpretive validity of the empirical findings obtained through SEM-PLS analysis.

RESULTS AND DISCUSSION

This section of the discussion aims to interpret the results of the research by relating it to the theories that have been described in Chapter II as well as relevant previous research. The discussion was carried out systematically based on the results of hypothesis testing, both direct and indirect influences, so as to provide a more comprehensive understanding of the dynamics of the relationship between variables in the research model.

This study seeks to explain how psychological factors, namely emotional intelligence, work *engagement*, and work motivation, affect the performance of Generation Z employees, with career development as a mediating variable. In the context of a competitive and target-based insurance industry, understanding the determinants of performance is critical to human resource management.

The Influence of Emotional Intelligence on Employee Performance

The results of the study showed that emotional intelligence (KE) did not have a significant effect on the performance of Generation Z employees at PT Asuransi Sinar Mas. These findings suggest that although KE theoretically plays a role in improving an individual's ability to recognize, understand, and manage emotions, in this organizational context, it is not enough to be the primary determinant of employee performance.

Theoretically, this can be explained through the perspective of *AMO Theory (Ability–Motivation–Opportunity)*, where performance is the result of an interaction between ability,

motivation, and opportunity. KE falls under the category of individual psychological ability, but without strong motivational support and adequate opportunities from the company, this ability does not automatically improve performance. In the context of PT Asuransi Sinar Mas, the opportunity to apply emotional skills in the workplace may be more limited due to the company's main focus on achieving quantitative and measurable administrative targets.

In addition, the highly target-oriented nature of the job in the insurance industry makes emotional factors not a top priority in performance evaluation. Employee performance is measured more through the achievement of work targets, administrative completion, and contribution to product sales. Generation Z, as a pragmatic, competitive, and results-oriented group, focuses more on technical competence and measurable achievements, so the influence of KE on direct performance becomes less significant.

Although not directly significant, KE still has theoretical and practical significance as a supporting factor. KE can affect performance indirectly through *Career Development* or work motivation, by helping employees recognize their strengths and weaknesses, build positive relationships, and take advantage of professional development opportunities. This confirms that KE acts as a psychological foundation that strengthens organizational mechanisms to improve performance.

From a managerial perspective, these findings suggest that PT Asuransi Sinar Mas strengthen a structured career development program, so that employees have the opportunity to develop both technical and emotional abilities. The implementation of *mentoring*, competency training, and a clear career path will help optimize employees' psychological potential, including KE abilities, thereby contributing to continuous performance improvement. With this approach, organizations not only emphasize quantitative results but also the holistic development of employees' psychological competencies.

Influence *Engagement Work* on Employee Performance

The results of the study show that *job engagement* does not have a significant effect directly on the performance of Generation Z employees at PT Asuransi Sinar Mas. Although *work engagement* is conceptually often associated with improved performance, these findings suggest that high psychological engagement does not automatically translate into significant performance achievement in this corporate context.

Theoretically, high job engagement should boost job quality, productivity, and individual performance, as described in *Job Demands–Resources (JDR) Theory* by Bakker and Demerouti. However, the characteristics of work at PT Asuransi Sinar Mas which are very oriented towards quantitative targets such as the achievement of policy sales or administrative completion make performance achievement more dependent on technical competence and measurable results, so that the influence of direct work engagement is limited.

The AMO *Theory (Ability–Motivation–Opportunity)* approach explains that *engagement* is part of individual motivation. *Engagement* will contribute optimally to performance if accompanied by opportunities and organizational support to develop competencies. In the context of this study, *work engagement* has not been strong enough to influence performance without additional organizational mechanisms, especially through career development. In addition, the pragmatic and professional achievement-oriented characteristics of Generation Z make *job engagement* more meaningful when associated with a clear career path and self-development opportunities. The results of this study's mediation test confirm that work

engagement affects employee performance through *Career Development*, which is an important mechanism for translating psychological involvement into real work results.

Managerially, these findings suggest that PT Asuransi Sinar Mas strengthen a structured and clear career development program. Focusing on improving employee competencies and providing transparent career paths will allow companies to maximize the potential of work *engagement*, so that employees' emotional engagement can be converted into more productive and sustainable performance.

The Influence of Work Motivation on Employee Performance

The results of the study show that work motivation does not have a significant effect directly on the performance of Generation Z employees at PT Asuransi Sinar Mas. These findings indicate that employee internal drive, while important, is not enough to directly result in improved work performance. This suggests that although work motivation is one of the main factors in classical motivational theories, its influence on employee performance may be more complex and influenced by other factors.

Theoretically, work motivation is a psychological energy that encourages individuals to work more productively and achieve higher work performance. This is in accordance with Maslow's (1943) theory which states that the fulfillment of individual needs, ranging from basic needs to self-actualization, will encourage individuals to achieve higher goals. Similarly, Herzberg (1959) divided motivation into motivating factors, which promote satisfaction and achievement, as well as hygienic factors, which, if not met, can lead to dissatisfaction. However, in this study, work motivation had no direct effect on performance.

These findings suggest that while employees may be highly motivated, they may not necessarily convert into better performance if they are not supported by organizational systems that facilitate competency and career development. In the context of PT Asuransi Sinar Mas, although the internal motivation of employees may motivate them to try, its effect on performance cannot be realized without clear opportunities for self-development and structured career paths.

At PT Asuransi Sinar Mas, internally motivated employees often feel challenged to improve their skills and look for opportunities for self-development. However, while this motivation exists, HR management systems that focus more on quantitative outcomes (such as achieving sales targets) and do not explicitly support clear career development, lead to insufficient work motivation to produce optimal performance. Therefore, even if employees are highly motivated, in the absence of adequate organizational support in terms of training and career development, they cannot be directly reflected in performance. Generation Z has a high orientation towards self-development and long-term career achievement, which affects how they perceive work motivation. Unlike previous generations, they don't just prioritize short-term salaries or rewards, but prefer opportunities to learn, grow, and have a clear career. Generation Z's work motivation further encourages them to improve their professional competencies and take advantage of career opportunities, which is more related to a clear career development system than the immediate achievement of target numbers.

This study shows a difference with some previous studies that found a direct link between work motivation and performance, such as a study by Abdurrahman & Suryani (2021). In their study, work motivation was shown to improve performance directly, but in the context of PT Asuransi Sinar Mas, work motivation was more effective when combined with structured career

development. This shows that the influence of work motivation on performance is more complex and not always direct, but rather influenced by mediating factors such as career development.

The results of the mediation test in this study show that work motivation affects performance through career development. This reinforces the argument that while work motivation is important, to be able to significantly improve performance, employees need the opportunities for growth provided by the organization. Career development serves as a connecting mechanism that bridges work motivation with performance achievement.

Based on the practice at PT Asuransi Sinar Mas and existing theories, this finding is very reasonable. In an industry based on quantitative targets such as insurance, work motivation may not be sufficient to directly affect performance in the absence of a supportive system for career and competency development. Motivation is more effective when it is linked to clear career development opportunities. Based on these findings, PT Asuransi Sinar Mas needs to strengthen its career development program by focusing on developing employee competencies and providing clearer opportunities for career growth. By improving the HR management system that supports career development, companies can optimize the motivation potential of employees and produce higher and more sustainable performance.

The Influence of Emotional Intelligence on Career Development

The results of the study show that emotional intelligence has a positive and significant effect on the career development of Generation Z employees at PT Asuransi Sinar Mas. These findings suggest that an individual's ability to manage emotions and build good interpersonal relationships can support career development within an organization. Employees who have high emotional intelligence tend to be better able to adapt to the work environment, build effective communication with colleagues and superiors, and manage conflicts constructively. This ability is an important capital in the professional development process.

These findings are in line with *the Emotional Intelligence Theory* put forward by Goleman (1998), which states that individuals with high emotional intelligence have better social skills and adaptation in the work environment. These abilities not only help individuals in interacting well, but also in taking advantage of career development opportunities that exist within the organization. At PT Asuransi Sinar Mas, employees who have high emotional intelligence tend to be more successful in building solid working relationships, both with colleagues and superiors. This allows them to get constructive *feedback*, promotional opportunities, and access to better training and career development.

Emotional intelligence plays an important role in improving employees' ability to adapt to a rapidly changing environment, especially in the face of challenges or organizational changes. Employees with high emotional intelligence can manage stress, accept criticism positively, and maintain good relationships with colleagues and superiors. This allows them to stay engaged in their work and show high dedication in achieving career goals. In the context of *AMO Theory (Ability, Motivation, Opportunity)*, emotional intelligence falls into the category of psychological abilities that affect motivation to develop and opportunities to take advantage of existing career opportunities. Individuals who are able to manage social and emotional relationships in the workplace tend to have an easier time getting the opportunity to learn, get a promotion, as well as become a more competitive candidate for managerial or leadership positions.

These findings are consistent with research conducted by Tritami et al. (2025), which found that emotional intelligence plays an important role in accelerating career development. The research shows that emotional intelligence allows individuals to adapt to changes in the work environment and build relationships that support their career advancement. Thus, emotional intelligence can serve as a driving factor in the career development process, not only in improving performance but also in facilitating professional advancement. Based on the real conditions at PT Asuransi Sinar Mas and existing theories, this finding is very reasonable. In an industry that focuses heavily on interpersonal relationships, emotional intelligence skills are an important factor in career development. Employees who can adapt to change, manage conflict, and communicate well are more likely to have better career development opportunities.

Based on these findings, PT Asuransi Sinar Mas needs to strengthen its career development program by adding elements of emotional intelligence development in training and *mentoring*. Providing opportunities for employees to hone their emotional abilities, such as stress management and communication skills, will allow them to be more successful in improving performance and accessing wider career development opportunities. In addition, companies can also include emotional intelligence as one of the indicators in performance appraisal and professional development programs.

Influence *Engagement* Work towards Career Development

The results of the study show that *work engagement* has a positive and significant effect on the career development of Generation Z employees at PT Asuransi Sinar Mas. These findings show that employees who have a high level of work involvement tend to be more active in improving competencies and taking advantage of self-development opportunities. Employees who *are engaged* in their work usually show enthusiasm, commitment, and a desire to make the best contribution to the organization. This attitude encourages them to participate in various training programs, improve their job skills, and prepare themselves for greater responsibilities in the organization.

These findings show that *work engagement* is not only related to performance improvement, but also has a profound effect on the career development process. Employees who are emotionally and cognitively engaged in their work tend to exhibit more proactive behaviors in self-development and seeking career opportunities within the organization. A positive attitude and engagement in the job make them more committed to their long-term goals and more open to opportunities that can enhance their careers.

In the perspective of *Job Demands–Resources (JDR) Theory*, *engagement* is a positive psychological condition that increases work energy, which in turn encourages individuals to develop professionally. Engaged employees can better manage the high demands of the job and stay focused on achieving long-term goals. Therefore, employees who have high *engagement* are more likely to be proactive in seeking out and taking advantage of career development opportunities available in organizations. At PT Asuransi Sinar Mas, employees who have high work engagement often show initiative to take part in training and expand their skills. They are also more likely to be involved in development projects that allow them to expand their experience and prepare themselves for greater roles in the organization. This indicates that *job engagement* serves as a proactive driver for career development, which is in line with the results of this study.

These findings are consistent with research by Bakker & Demerouti (2008), which showed that *job engagement* is positively related to career development because engaged employees are more likely to pursue training opportunities and develop new skills. This is also in line with the research of Schaufeli *et al.* (2002) who found that high levels of *engagement* encourage individuals to be more involved in self-development opportunities that can improve their competencies and accelerate career progression.

Based on practice at PT Asuransi Sinar Mas, this finding is very reasonable considering that the company already has a system in place that supports career development through various training programs and opportunities for promotion. Therefore, high job engagement does have the potential to accelerate career development, because employees involved in their work will be more motivated to take advantage of existing opportunities. Based on these findings, PT Asuransi Sinar Mas should strengthen its career development program by adding more self-development opportunities that focus on improving technical competencies and leadership skills. In addition, companies can strengthen *mentoring* and *coaching programs* that support employees to thrive within the organization. By strengthening the connection between *work engagement* and career development, companies can ensure that emotionally and cognitively engaged employees also have a clear path to their professional growth.

The Influence of Work Motivation on Career Development

The results of the study show that work motivation has a positive and significant effect on the career development of Generation Z employees at PT Asuransi Sinar Mas. These findings show that work motivation is an important factor that encourages individuals to improve their competencies, set career goals, and take advantage of the development opportunities available within the organization. Work motivation acts as a psychological energy that encourages individuals to be more active in improving skills, attending training, and planning a clearer career path within the organization. In the perspective of *Career Construction Theory* put forward by Savickas (2002), individuals actively shape their career paths through the process of adaptation and exploration. In this context, work motivation acts as a driver that allows individuals to develop professional abilities as well as pursue better career opportunities.

At PT Asuransi Sinar Mas, employees who are highly motivated are often more proactive in identifying training opportunities, seeking feedback, and improving skills relevant to their desired career position. These findings suggest that work motivation serves as a driving force in the career development process, where individuals who are motivated to develop themselves will more quickly find a career path that suits their professional goals. Generation Z, who are known to have a strong orientation towards self-development and professional achievement, prefer to work in an environment that offers opportunities for learning and development. Therefore, individuals who have high work motivation tend to be more active in participating in training, improving skills, and preparing for higher positions in the organization.

These findings are also in line with research conducted by Yu (2022) which shows that intrinsic motivations, such as the desire to learn and grow, have a significant influence on an individual's readiness to participate in a career development program and improve professional competence. The study also confirms the results of *Herzberg's Two-Factor Theory*, which states that intrinsic motivations such as achievement and career development are more influential in increasing job satisfaction and long-term career progression. Therefore, these findings suggest

that work motivation plays a big role in helping employees achieve their career goals, but is more effective when linked to clear and structured career development opportunities.

Based on the real conditions at PT Asuransi Sinar Mas, this finding is very reasonable. In a competitive industry such as insurance, high work motivation is indeed very influential in encouraging employees to develop their skills and seek career opportunities. Since Generation Z is highly self-development-oriented, internal drives such as work motivation play an important role in their career development. These findings suggest that companies need to strengthen career development systems that support the achievement of employees' long-term goals. Based on these findings, PT Asuransi Sinar Mas should strengthen its career development program by adding training focused on improving competencies and providing clear career paths for employees. Structured *mentoring* programs, opportunities for ongoing training, and regular *feedback* on career achievements can help Generation Z employees to develop their full potential. By strengthening the relationship between work motivation and career development, companies can ensure that employees who are motivated to develop themselves also have a clear path to their professional growth.

The Influence of Career Development on Employee Performance

The results of the study show that career development has a positive and significant effect on the performance of Generation Z employees at PT Asuransi Sinar Mas. These findings show that the better the career development system perceived by employees, the higher the level of performance produced. Employees who feel supported in their career development tend to be more motivated to improve the quality and quantity of their work, which in turn contributes to improved individual and organizational performance.

Theoretically, these findings are in line with *Human Capital Theory*, which states that investments in employee competency development will increase individual and organizational productivity. Career development programs such as training, *coaching*, *mentoring*, and promotional opportunities can enhance employees' professional abilities and provide them with the tools they need to meet job challenges. Thus, career development not only provides direct benefits to employees in terms of upskilling but also impacts higher performance. In addition, in the perspective of *Psychological Contract Theory*, when the organization provides support for the career development of employees, the employee will reciprocate through increased commitment and performance. The psychological contract created between the employee and the company explains that the organization's support for the employee's career development serves as a form of exchange that increases their loyalty and dedication to the job and the organization. Employees who feel valued and given opportunities to grow will be more likely to make a greater contribution to the achievement of the company's goals.

In the context of Generation Z who have a strong orientation towards career growth, the existence of a clear and transparent career development system is an important factor in improving motivation and work performance. Generation Z, who are known to be very pragmatic and focused on achieving results, need clarity of career paths and opportunities to thrive within organizations. Thus, structured and easily accessible career development will encourage them to contribute more, improve their performance, and ensure long-term success for both individuals and companies. Based on these findings, PT Asuransi Sinar Mas should strengthen its career development program by adding more self-development opportunities that focus on improving technical competencies and leadership skills. Structured *mentoring*

programs , opportunities for ongoing training, and regular *feedback* on career achievements can help Generation Z employees to develop their full potential. In addition, companies can develop clear and transparent career paths, which will provide more motivation for employees to strive to achieve their goals, and accelerate the performance development process.

These programs will not only improve employee performance, but also strengthen their commitment and loyalty to the company, as employees who feel that the company supports their professional growth will be more likely to invest more in their work. By strengthening the relationship between career development and performance, PT Asuransi Sinar Mas can ensure that they not only attract, but also retain the best talent in the insurance industry, which will ultimately support the company's long-term goals.

The Role of Career Development Mediation

The results of the study show that career development plays a role as a *full mediation variable* in the relationship between emotional intelligence, *work engagement*, and work motivation to the performance of Generation Z employees at PT Asuransi Sinar Mas. The three independent variables do not have a significant direct influence on performance, but each has a significant influence on career development, and career development in turn has a strong influence on performance. This confirms that *Career Development* serves as a mechanism that bridges the influence of individual psychological factors to optimal performance outcomes.

Theoretically, *Career Development* is able to be a mediator because it acts as an organizational mechanism that converts psychological potential into real work behavior. Employees with high emotional intelligence, strong *engagement*, and high motivation tend to be more proactive in developing their careers, but this positive influence can only be realized into optimal performance if supported by a clear and structured career development system. *Career Development* provides an opportunity (*Opportunity in AMO Theory*) to apply the abilities and motivations that employees have in the form of real performance achievements, so that psychological factors are not only potential, but also measurable results. These findings are in line with the research of Luthans *et al.* (2008) and Tritami *et al.* (2025), which show that career development functions as a mediator that strengthens the relationship between psychological factors and performance. Both studies emphasize the importance of organizational support through structured career development programs so that employees' psychological potential can be optimized. In the context of PT Asuransi Sinar Mas, even though employees have high emotional intelligence, *strong engagement* , and high work motivation, without a clear career development path, they cannot fully utilize those psychological potentials to improve performance.

Managerially, these findings confirm that companies need to strengthen existing career development programs with a greater emphasis on structured career paths, advanced training, *mentoring*, and transparent promotional opportunities. By providing clear development opportunities, employees can transform their psychological potential into tangible performance, so that organizations can continuously increase employee effectiveness and productivity.

CONCLUSION

Based on the results of data analysis using the Partial Least Squares Structural Equation Modeling (PLS-SEM) method, it can be concluded that emotional intelligence, work engagement, and work motivation do not have a significant direct effect on the performance of

Generation Z employees at PT Asuransi Sinar Mas. This shows that employees' ability to recognize and manage emotions, work engagement levels, and work motivation have not been directly able to improve performance if not supported by adequate organizational factors. However, these three variables have been proven to have a positive and significant influence on career development. Emotional intelligence plays a role in helping employees build good interpersonal relationships and manage emotions effectively, thus supporting career development. Work engagement encourages employees to be more active in improving their competencies and taking advantage of self-development opportunities, while work motivation is an internal factor that encourages employees' readiness to develop and achieve. Furthermore, career development has been proven to have a positive and significant effect on the performance of Generation Z employees at PT Asuransi Sinar Mas. These findings show that a clear, directed, and structured career development system is able to improve employee competence, motivation, and performance. Thus, career development plays a role as a mediating variable in the relationship between emotional intelligence, work engagement, and work motivation to employee performance. Thus, this study confirms that employee psychological factors do not directly improve performance, but first encourage career development which ultimately has an impact on improving the performance of Generation Z employees.

REFERENCE

- Albrecht, S. L., Bakker, A. B., Gruman, J. A., Macey, W. H., & Saks, A. M. (2015). Employee engagement, human resource management practices and competitive advantage: An integrated approach. *Journal of Organizational Effectiveness: People and Performance*, 2(1), 7–35.
- Abdurrahman, A., & Suryani, D. (2021). Work motivation and employee engagement among Generation Z employees. *Journal of Organizational Behavior Studies*, 9(2), 45–56.
- Afsar, B., Masood, M., & Umrani, W. A. (2019). Emotional intelligence and employee innovative work behavior: The role of organizational learning capability and work engagement. *European Journal of Innovation Management*, 22(5), 1–20.
- Albrecht, S. L., Bakker, A. B., Gruman, J. A., Macey, W. H., & Saks, A. M. (2015). Employee engagement, human resource management practices and competitive advantage: An integrated approach. *Journal of Organizational Effectiveness: People and Performance*, 2(1), 7–35.
- Anshori, M. (2024). Digital transformation in Indonesian insurance industry after pandemic. *Journal of Financial Services Research*, 9(1), 55–67.
- Aristawati, N., Pratama, A., & Nugroho, R. (2021). The effect of emotional intelligence on employee performance. *International Journal of Management Studies*, 8(2), 112–123.
- Bakker, A. B., & Demerouti, E. (2017). Job demands–resources theory: Taking stock and looking forward. *Journal of Occupational Health Psychology*, 22(3), 273–285.
- Barhate, B., & Hirudayaraj, M. (2026). Achieving career success through self-concept: Navigating cultural construals of career in the Indian context. *Human Resource Development International*, 1–29.
- Bush, J. T. (2020). Win-win-lose? Sustainable HRM and the promotion of unsustainable employee outcomes. *Human Resource Management Review*, 30(3), 100676.
- DeCarvalho, C. B. (2025). *Leading Gen Z professionals: Leadership characteristics that promote job performance and drive innovation* (Doctoral dissertation, University of Maryland University College).
- Doan, H. H., & Wu, W. (2025). The impact of leadership styles on learning and work outcomes

- of Generation Z employees: A systematic literature review. *The Learning Organization*, 1–19.
- Goleman, D. (1998). *Working with emotional intelligence*. Bantam Books.
- Greenhaus, J. H., Callanan, G. A., & Godshalk, V. M. (2010). *Career management* (4th ed.). Sage Publications.
- Herzberg, F. (1959). *The motivation to work*. John Wiley & Sons.
- Maslow, A. H. (1943). A theory of human motivation. *Psychological Review*, 50(4), 370–396.
- Mukhlisa, N., Prasetyo, A., & Wijaya, T. (2023). Psychological factors affecting employee performance in organizations. *Journal of Organizational Behavior Studies*, 10(1), 77–90.
- Salvadorinho, J., Hines, P., Kumar, M., Ferreira, C., & Teixeira, L. (2024). Empowering Generation Z in manufacturing organizations: A 6-factor self-determination extension. *Journal of Work-Applied Management*.
- Saraiva, M., & Nogueiro, T. (2025). Perspectives and realities of disengagement among younger Generation Y and Z workers in contemporary work dynamics. *Administrative Sciences*, 15(4), 133.
- Saratun, M. (2016). Performance management to enhance employee engagement for corporate sustainability. *Asia-Pacific Journal of Business Administration*, 8(1), 84–102.
- Savickas, M. L. (2013). *Career construction theory and practice*. Routledge.
- Schaufeli, W. B., Salanova, M., González-Romá, V., & Bakker, A. B. (2002). The measurement of engagement and burnout: A confirmatory analytic approach. *Journal of Happiness Studies*, 3(1), 71–92.
- Tarigan, J., Cahya, J., Valentine, A., Hatane, S., & Jie, F. (2022). Total reward system, job satisfaction and employee productivity on company financial performance: Evidence from Indonesian Generation Z workers. *Journal of Asia Business Studies*, 16(6), 1041–1065.
- Yu, H. (2022). Understanding Generation Z employees: Work values and career expectations. *Journal of Organizational Studies*, 18(3), 210–225.
- Zarkasyi, A. (2024). Generation Z workforce engagement and career expectations in Indonesia. *Indonesian Journal of Business and Management*, 13(1), 100–112.