

## **The Influence of Motivation and Career Development on Employee Loyalty at PT Federal International Finance (FIFGROUP) Pematangsiantar Branch**

**Mhd. Ramadhan<sup>1\*</sup>, Yudha Andika<sup>2</sup>, Henny Gultom<sup>3</sup>, Renni Sania<sup>4</sup>, Amanda Aqilla<sup>5</sup>**

*<sup>1,2,3,4,5</sup>Faculty of Economy, Efarina University, Pematangsiantar, Indonesia*

### **Email address:**

madhannasution3@gmail.com, andikayudha391@gmail.com, Heni4450@gmail.com

*\*Corresponding author*

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**Abstract:** This research aims to determine the level of motivation, career development, and employee loyalty at PT Federal International Finance (FIFGROUP) Pematang Siantar Branch, as well as to analyze the effect of motivation and career development on employee loyalty, both simultaneously and partially. The results of the study indicate that motivation and career development are in good condition, and employee loyalty is high. Furthermore, there is a positive influence, both simultaneously and partially, between motivation and career development on employee loyalty. The correlation between motivation, career development, and employee loyalty is moderately high, showing that the level of employee loyalty can be explained by these two factors. The results of hypothesis testing show that  $H_0$  is rejected, meaning that motivation and career development have a positive and significant effect on employee loyalty at PT Federal International Finance (FIFGROUP) Pematang Siantar Branch.

**Keywords:** motivation, career development, employee loyalty.

## **INTRODUCTION**

Human resources are one of the most essential factors of production that play a vital role in achieving organizational goals (Rustiawan et al., 2023). The success or failure of a company's operations greatly depends on the loyalty of its employees, which serves as a core component in attaining those goals (Meschke, 2021). Without employee loyalty, an organization or company cannot function properly. Therefore, managing motivation and career development is crucial, as both play significant roles in enhancing employee loyalty (Olga & Nurraihan, 2025).

This condition also applies to PT Federal International Finance (FIFGROUP) Pematang Siantar Branch, which was established on May 1, 1989, originally under the name PT Mitrapustaka Artha Finance, operating in the multi-finance sector. In 1991, the company changed its name to PT Federal International Finance (FIFGROUP) after becoming part of PT Astra International, Tbk, under the financial services division focused on consumer financing. The company primarily provides credit financing for Honda motorcycles produced by PT Astra Honda Motor (AHM).

Employee loyalty is the work performance achieved by employees according to their assigned duties and responsibilities in order to reach the company's objectives

(Purnamasari & Subroto, 2021). When employees exhibit a high level of loyalty, it significantly increases the likelihood that the company will achieve its goals more effectively (Ford et al., 2023). For employees, loyalty is also an important indicator of reliability and dedication, reflecting their contribution to the company's progress (Zanabazar et al., 2023). The dimensions of employee loyalty generally include obedience, responsibility, dedication, and integrity.

Based on interviews with employees at PT Federal International Finance (FIFGROUP) Pematang Siantar Branch, it was found that employee loyalty, particularly in the obedience dimension, has not yet reached an optimal level. Out of 53 employees, there are 3 employees who do not fully comply with company regulations, such as arriving late to work by about 10 to 15 minutes beyond the scheduled working hours stated in the company's SOP. In the responsibility dimension, there are 2 employees who have not yet been able to fully meet their duties and responsibilities, for instance, in evaluating the eligibility of potential clients or actively seeking new customers to apply for credit financing.

One of the key factors influencing employee loyalty at FIFGROUP Pematang Siantar Branch is motivation. Providing proper motivation can increase enthusiasm, willingness, and sincerity in performing tasks, which in turn enhances productivity. Motivation serves as an internal drive that encourages employees to carry out their tasks efficiently and effectively. This finding is supported by Simbolon (2015), who stated that motivation significantly influences employee loyalty. Motivation can be analyzed through dimensions such as the need for achievement, need for affiliation, and need for power.

However, based on employee interviews, motivation at FIFGROUP has not been fully optimized. In the need for achievement dimension, it was found that there is no formal reward or recognition system, such as incentives, to appreciate employee performance. This lack of acknowledgment leads to a decrease in employee loyalty. Additionally, in the need for power dimension, motivation remains suboptimal among 53 employees, 5 long-serving employees have not been promoted or recommended for higher positions, such as becoming a team leader. As a result, these employees feel that they are not given the opportunity to lead a team or develop their leadership potential within the company.

Another factor that influences employee loyalty is career development. According to Purnamasari and Sintaasih (2019), career development significantly affects employee loyalty. Career development can be viewed through several dimensions, including performance and productivity, experience, competence and professionalism, education, achievement, leadership, and colleagues. Based on interviews, it was found that the experience dimension has not yet reached its potential, especially in the marketing division, where several employees lack relevant experience in the field. Consequently, marketing programs are not implemented optimally. In addition, the education dimension also remains underdeveloped, as the company still employs a hereditary recruitment system. Out of 53 employees, 5 employees are working in positions that do not align with their educational backgrounds, leading to inefficiencies in job performance.

## **THEORETICAL REVIEW**

### **Management**

Management is an essential tool for achieving organizational goals. Without effective management, an organization's efforts will be inefficient and its objectives difficult to attain. According to (Tavo & Rasmus, 2024), management is the achievement of organizational goals effectively and efficiently through planning, organizing, leading, and controlling organizational resources. Similarly, (Ogochukwu et al., 2022) define management as the coordination and supervision of other people's work to accomplish organizational goals efficiently and effectively. In summary, management involves planning, organizing, directing, and controlling activities to achieve predetermined objectives.

### **Human Resource Management (HRM)**

Human resource management (HRM) focuses on managing people effectively and efficiently within an organization. According to (Guo & Han, 2024), HRM is the process of planning, organizing, directing, and controlling activities related to recruitment, development, compensation, integration, maintenance, and termination of employees to achieve organizational goals. In (Bao et al., 2021) adds that HRM involves the utilization, development, evaluation, and compensation of individuals within an organization. Thus, HRM can be defined as a process of acquiring, developing, and maintaining an effective workforce to achieve both organizational success and employee well-being.

### **Motivation**

Motivation serves as a driving force that encourages employees to perform their tasks effectively and enthusiastically. Proper motivation increases morale, willingness, and productivity. According to (Abbas et al., 2023), motivation is a key factor that drives individuals to act in order to achieve their goals.

### **Career Development**

Career development is the process of improving individual capabilities to achieve desired career goals. Involves enhancing work abilities to reach career advancement. Explains that career development includes both individual career planning and organizational career management programs. Identifies several factors influencing career development: work performance, experience, competence, education, achievement, leadership, and teamwork. Effective career development can foster job satisfaction and strengthen employee loyalty.

### **Employee Loyalty**

Employee loyalty reflects an employee's emotional attachment, dedication, and commitment to the organization. The willingness of employees to remain with and contribute to the organization, demonstrated through trust, responsibility, and devotion. Identifies four key dimensions of employee loyalty: obedience, responsibility, dedication, and integrity. Loyal employees are more likely to support organizational goals and maintain consistent performance.

## **METHODS**

This study employs both library research and field research methods. The library research was conducted by reviewing books, journals, and other relevant literature to obtain theoretical foundations related to motivation, career development, and employee

loyalty. The field research was carried out to collect primary data directly from respondents through observation, interviews, and questionnaires to understand the actual conditions at PT Federal International Finance (FIFGROUP) Pematang Siantar Branch.

The object of this research is the permanent employees of PT Federal International Finance (FIFGROUP) Pematang Siantar Branch, located at Jalan Sudirman No. 13–14, Proklamasi, West Siantar District, Pematang Siantar City, North Sumatra 21117. The population in this study consists of all 53 permanent employees, who were also used as the research sample through a saturated sampling technique (census method), where all members of the population are included as research respondents.

## RESULTS

### Qualitative Descriptive Analysis

Group the respondent's average answer criteria to describe the respondent's answers qualitatively using the following table:

**Table 1.** Interval Values and Respondent Answer Categories

Interval Values	Category		
	Motivation	Career development	Employee Loyalty
1,00 – 1,80	Very Not Good	Very Not Good	Very low
1,81 – 2,60	Not Good	Not Good	Low
2,61 – 3,40	Pretty Good	Pretty Good	Quite tall
3,41 – 4,20	Good	Good	Tall
4,21 – 5,00	Very Good	Very Good	Very High

Source: Data processing results (2022)

### Overview of Motivation at PT Federal International Finance (FIFGROUP) Pematang Siantar Branch

Overall, the motivation variable had an average score of 3.49 with a fairly good answer criteria. For the highest score of 4.08 with good answer criteria is found in the dimension of the need for power in the attitude indicator between employees. This can be seen from employees who have been able to behave well with other employees such as helping the work of fellow divisions. While the lowest score is 2.92 with a fairly good answer criterion contained in the dimension of the need for achievement in the reward indicator, this can be seen from the lack of appreciation given by the company to employees as seen from the absence of incentives to outstanding employees.

### Overview of Career Development at PT Federal International Finance (FIFGROUP) Pematang Siantar Branch

Overall, the career development variable had an average value of 3.70 with good answer criteria. The highest score of 4.11 with good answer criteria is found in the leadership dimension in the indicators of communication ability and decision-making ability. This can be seen from fellow employees being able to communicate well to complete their tasks and employees are able to decide firmly if problems occur. While the lowest score is 3.04 with a fairly good answer criterion contained in the experience dimension in the employee expertise indicator, this is because there are several employees who do not have experience, especially in the Finance section so that employees who work do not have expertise in accordance with the existing job decs.

## Overview of Employee Loyalty at PT Federal International Finance (FIFGROUP) Pematang Siantar Branch

Overall, the employee loyalty variable had an average score of 3.54 with high answer criteria. For the highest score of 4.09 with high answer criteria, there is the integrity dimension in the honesty indicator. This can be seen from employees who have been able to admit their mistakes. While the lowest score is 3.21 with a fairly high answer criterion contained in the compliance dimension of the punctuality indicator, this result is because there are still employees who work not in accordance with operational standards such as arriving 10-15 minutes late from the specified hour due to traffic jams.

### Quantitative Descriptive Analysis

#### Linear Regression Analysis Multiple

This study aims to analyze the influence of independent variables with bound variables in PT Federal International Finance (FIFGROUP) Pematang Siantar Branch. Multiple regression analysis was used to determine the influence of independent variables with bound variables. The analysis was carried out by tabulating respondents' answers on the questionnaire that was run. To see the influence of variables with multiple regression equations, calculations are made as follows:

**Table 2.** Multiple Linear Regression Results

Type		Unstandardized Coefficients		Standardized Coefficients
		B	Std. Error	Beta
1	(Constant)	10.349	4.623	
	Motivation	.472	.147	.420
	Career Development	.224	.079	.372

Based on table 2 above, it can be seen that the equation of multiple linear regression results is  $\hat{Y} = 10.349 + 0.472 X_1 + 0.224 X_2$ , meaning that if motivation increases by one unit, then employee loyalty will increase by 0.472 units and if career development increases by one unit, then employee loyalty will increase by 0.224 units, so it can be concluded that there is a positive influence between motivation and career development on employee loyalty at PT Federal International Finance (FIFGROUP) Pematang Siantar Branch.

#### Simple Linear Regression Analysis

This study is to find out whether there is an influence of competency variables on teacher performance and the effect of supervision on teacher performance. To see the influence of variables with simple regression equations, the following calculations are performed:

**Table 3.** Simple Linear Regression Results Motivation for Employee Loyalty

Type		Unstandardized Coefficients		Standardized Coefficients
		B	Std. Error	Beta
1	(Constant)	19.051	3.703	

	Motivation	.748	.117	.666
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a. *Dependent Variable:* Employee Loyalty

Based on the results of data processing from table 3, a regression coefficient (b) of 0.748 was obtained so that it can be known that the regression equation obtained is  $\hat{Y} = 19.051 + 0.748X$ , meaning that if motivation increases by one unit, then employee loyalty will increase by 0.748 units so that it can be concluded that there is a positive influence between motivation and employee loyalty at PT Federal International Finance (FIFGROUP) Pematang Siantar Branch.

**Table 4.** Results of Simple Linear Regression of Career Development on Karyawan Loyalty

<i>Type</i>		<i>Unstandardized Coefficients</i>		<i>Standardized Coefficients</i>
		<i>B</i>	<i>Std. Error</i>	<i>Beta</i>
1	(Constant)	12.174	4.991	
	Career Development	.391	.064	.649

a. *Dependent Variable:* Employee Loyalty

Based on the results of data processing from table 4, a regression coefficient (b) of 0.391 is obtained so that it can be known that the regression equation obtained is  $\hat{Y} = 12.174 + 0.391X$ , meaning that if career development increases by one unit, then employee loyalty will increase by 0.391 units so that it can be concluded that there is a positive influence between career development and employee loyalty at PT Federal International Finance (FIFGROUP) Pematang Siantar Branch.

### Correlation and Coefficient of Determination

**Table 5.** Results of Correlation Coefficient and Determination of Motivation and Career Development with Employee Loyalty

<i>Model Summary</i>				
<i>Type</i>	<i>R</i>	<i>R Square</i>	<i>Adjusted R Square</i>	<i>Std. Error of the Estimate</i>
1	.722a	.521	.502	2.456

a. *Predictors:* (Constant), Career Development, Motivation

b. *Dependent Variable:* Employee Loyalty

Obtained a correlation coefficient of value ( $r$ ) = 0.722 meaning that there is a strong relationship between motivation and career development with employee loyalty at PT Federal International Finance (FIFGROUP) Pematang Siantar Branch, in accordance with the correlation coefficient criteria in table 3.6 The determination coefficient is 0.521, meaning that the high and low employee loyalty at PT Federal International Finance (FIFGROUP) Pematang Siantar Branch of 52.1% can be explained by motivation and development career, while the remaining 47.9% were explained by other factors that were not discussed in this study such as supervision, organizational culture, work environment and other factors that affect employee loyalty.

### Hypothesis Test

#### Simultaneous Test (F Test)

**Table 6.** Results of the Motivation and Career Development F Test on Employee Loyalty  
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Type	Sum of Squares	Df	Mean Square	F	Sig.	
1	Regression	327.725	2	163.862	27.176	.000b
	Residual	301.483	50	6.030		
	Total	629.208	52			

a. *Dependent Variable:* Employee Loyalty

b. *Predictors:* (Constant), Career Development, Motivation

Based on the results of this research,, obtained Fcount of 27.176 > Ftable with (0.05 ; 2 vs (53-2-1=50)) of 3.18 or with a significant 0.000 < 0.05 then H0 is rejected, meaning that motivation and career development have a positive and significant effect on employee loyalty at PT Federal International Finance (FIFGROUP) Pematang Siantar Branch. This is in line with research conducted by (Utami and Dwiatmadja, 2020).

### Partial Test (t-test)

**Table 7.** Results of the Motivation Test on Employee Loyalty  
Coefficient

Type	t	Sig.	
1	(Constant)	5.145	.000
	Motivation	6.371	.000

a. *Dependent Variable:* Employee Loyalty

Based on the results of this study, the calculation value on the motivation variable is 6.371 > ttable with df = n-k-1 (53-1-1 =51) of 2.00758 or with a significance of 0.000 < 0.05, then H0 is rejected, meaning that motivation has a positive and significant effect on employee loyalty at PT Federal International Finance (FIFGROUP) Pematang Siantar Branch. This is in accordance with research conducted by (Simbolon, 2015).

**Table 8.** Results of the Motivation Test on Employee Loyalty  
Coefficient

Type	t	Sig.	
1	(Constant)	2.439	.018
	Career Development	6.098	.000

a. *Dependent Variable:* Employee Loyalty

Based on the results of this study, the calculation value on the career development variable was 6.098 > ttable with df = n-k-1 (53-1-1 =51) of 2.00758 or with a significance of 0.000 < 0.05, H0 was rejected, meaning that development had a positive and significant effect on employee loyalty at PT Federal International Finance (FIFGROUP) Pematang Siantar Branch. This is in accordance with research conducted by (Purnamasari and Sintaasih, 2019).

## DISCUSSION

### **Motivation at PT Federal International Finance (FIFGROUP) Pematang Siantar Branch**

Employee motivation at PT Federal International Finance (FIFGROUP) Pematang Siantar Branch plays a key role in improving performance and productivity. Based on the questionnaire results, the overall motivation level received an average score of 3.49, categorized as good. This indicates that employees generally have strong needs for achievement, affiliation, and power. However, some aspects are still below the overall average, such as the reward indicator (2.92), which shows that employees need more recognition for their performance. The company can address this by providing incentives or bonuses to employees who achieve their targets. Meanwhile, the business indicator (3.13) and creativity development indicator (3.30) can be improved through regular motivational training, public speaking workshops, and by allowing employees' creative ideas to be implemented in daily operations.

In addition, the need for power dimension, particularly the work spirit indicator (3.38), and the ability to achieve targets (3.19), show that employee enthusiasm and commitment are good but can be strengthened further. Providing career advancement opportunities and promotional recommendations to long-serving employees can boost morale. The company can also organize family gatherings or team-building activities when targets are achieved to enhance engagement. Overall, employee motivation is already good but still needs continuous improvement through recognition, training, and supportive leadership to sustain enthusiasm and productivity.

### **Career Development at PT Federal International Finance (FIFGROUP) Pematang Siantar Branch**

Career development at PT Federal International Finance (FIFGROUP) Pematang Siantar Branch has been running effectively, with an overall average score of 3.70 categorized as good. This reflects that employees have sufficient opportunities for professional growth in terms of performance, experience, competence, and education. However, some indicators such as employee expertise (3.04), mastery of work (3.23), and knowledge level (3.32) still need improvement. Employees are encouraged to enhance their abilities through formal education or training programs such as financial and computer accounting courses. Additionally, aligning personal interests and capabilities with job responsibilities will help employees perform their duties more effectively.

The educational background indicator (3.25) and achievement indicator (3.25) also suggest the need for improvement through higher education and goal-oriented performance. The company is advised to be more selective in recruitment to ensure employee qualifications align with job requirements. Leadership and teamwork indicators are good, with scores of 3.68 and 3.64, indicating strong cooperation and trust between leaders and employees. To further strengthen career development, the company should ensure fair treatment, provide promotion opportunities, and continue building employee competence through structured training and mentoring programs.

### **Employee Loyalty at PT Federal International Finance (FIFGROUP) Pematang Siantar Branch**

Employee loyalty at PT Federal International Finance (FIFGROUP) Pematang Siantar Branch is categorized as high, with an average score of 3.54. This shows that employees demonstrate good compliance, responsibility, dedication, and integrity in performing their duties. However, certain indicators such as work punctuality (3.21),

compliance (3.36), and work completion ability (3.38) still require attention. The company can address this by applying stricter attendance policies, providing clear regulations, and maintaining a conducive work environment. Routine evaluations and training are also necessary to enhance employee responsibility and work ethics.

Furthermore, in the integrity dimension, indicators such as concern (3.43) and work discipline (3.38) show that employees already have a high sense of responsibility but need consistent reinforcement. Providing appropriate sanctions for indiscipline and recognizing honest behavior can help strengthen employee integrity. Overall, employee loyalty at FIFGROUP Pematang Siantar Branch is high, but it can be improved further through consistent supervision, leadership engagement, and motivational efforts. Strengthening loyalty will not only help retain quality employees but also contribute significantly to achieving the company's long-term goals.

## CONCLUSION

Based on the overall analysis presented in the previous chapters, several conclusions can be drawn. The results of the descriptive qualitative analysis on motivation show that, overall, employee motivation at PT Federal International Finance (FIFGROUP) Pematang Siantar Branch is categorized as good. The highest average score is found in the dimension of the need for power, particularly in the indicator of interpersonal relationships among employees, while the lowest average score lies in the dimension of the need for achievement, specifically in the reward indicator. Meanwhile, the results of the descriptive qualitative analysis on career development also show good criteria, with the highest score found in the leadership dimension, particularly in communication and decision-making abilities, and the lowest score in the experience dimension, particularly in employee expertise. Furthermore, the results of the descriptive qualitative analysis on employee loyalty show that it is categorized as high, with the highest average score found in the integrity dimension, particularly in the honesty indicator, while the lowest score is in the compliance dimension, particularly in punctuality.

The results of the linear regression analysis indicate a positive and significant influence between motivation and career development on employee loyalty, both simultaneously and partially. The correlation coefficient analysis also shows a strong and positive relationship between motivation, career development, and employee loyalty. The coefficient of determination further indicates that variations in employee loyalty can be explained by motivation and career development. The results of the F-test reveal that  $H_0$  is rejected, meaning there is a positive and significant simultaneous influence of motivation and career development on employee loyalty at PT Federal International Finance (FIFGROUP) Pematang Siantar Branch. Similarly, the results of the t-test show that  $H_0$  is rejected, indicating a positive and significant partial influence of both motivation and career development variables on employee loyalty at the same company.

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