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ANALYZING THE IMPACT OF TRAINING, CAREER DEVELOPMENT, AND REWARD SYSTEMS ON EMPLOYEE PERFORMANCE: THE ROLE OF EMPLOYEE ENGAGEMENT AS A MEDIATOR AT PT AFS

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Abstract

This study is motivated by performance issues identified among employees of PT Andalan Fluid Sistem, including delays in completing tasks, inconsistent achievement of work targets, frequent work errors, and reduced enthusiasm and organizational attachment. These symptoms indicate potential inefficiencies in the company's training programs, career development practices, and reward system implementation. At the same time, employee engagement is considered a crucial psychological factor that bridges the relationship between human resource development initiatives and employee performance improvements. The study aims to analyze the influence of training, career development, and reward systems on employee performance, both directly and through employee engagement as a mediating variable. The conceptual framework is grounded in Human Capital Theory, Social Exchange Theory, and contemporary performance management concepts emphasizing the importance of employee emotional attachment to the organization. A quantitative explanatory design was employed. Data were collected using a Likert-scale questionnaire administered to employees of PT Andalan Fluid Sistem who met the research criteria. Structural Equation Modeling–Partial Least Squares (SEM-PLS) was used to examine both the measurement and structural models, including tests of validity, reliability, multicollinearity, inner model evaluation, and assessments of direct and indirect effects. The findings indicate that training, career development, and reward systems influence employee performance, with varying levels of effect across variables. Employee engagement acts as a mediator in these relationships. The results emphasize that improving skills through training, providing clear career pathways, and applying a fair reward system can strengthen engagement and ultimately enhance performance. The study concludes that an integrated HR management strategy linking training, career development, reward systems, and engagement is essential. PT Andalan Fluid Sistem must ensure that HR development programs go beyond administrative functions by fostering employee motivation, loyalty, and emotional attachment as key drivers of improved performance.

Keywords: Career Development, Employee Engagement, Employee Performance, Reward System, Training.

INTRODUCTION

In facing rapid technological change and increasingly intense global competition, the manufacturing industry is confronted with various complex issues related to human resource management (Mesiono et al. in Dio et al., 2025). Moreover, the world has entered the VUCA era, which represents a combination of volatility, uncertainty, complexity, and ambiguity. In this era, changes occur very rapidly and unpredictably, are influenced by many difficult-to-control factors, and truth as well as reality become highly subjective (Siti Marwiyah et al., 2023). One of the main reasons organizations need to adapt to and embrace change is to remain relevant. Industries are becoming more competitive, and technological advancements are disrupting traditional business models. Companies that cling to old practices and resist change risk being left behind by more innovative and adaptive competitors (Nora Lelyana, 2023). In addition, the global economy has increasingly become structured around global value chains (GVCs), leading to a higher share of international trade, global GDP, and employment (Yuliawati et al., 2021). Therefore, improving the quality of human resources has become a crucial matter that companies must recognize and develop. In the era of the Industrial Revolution 4.0, human resources are required to possess skilled and competent capabilities.

Naturally, such capabilities do not emerge automatically from employees themselves; thus, encouragement and support from the company are necessary. Employee performance is influenced by several factors, including training, job promotion, career development, and rewards (Ince et al., 2022). Thus, it can be stated that effective training, career development, and reward systems can positively influence employee performance. Employee performance data are obtained by comparing the performance achieved by employees with established performance standards as benchmarks for evaluation. Performance standards are targets, objectives, or criteria that have been determined and mutually agreed upon. If an employee's performance outcomes exceed the established performance standards, the employee is considered to have achieved outstanding performance (Widyatmojo, 2023). Based on the results of initial observations and interviews with the management of PT Andalan Fluid Sistem, the following data were obtained:

Table 1. Initial Observation Data

No	Observed Aspect	Observation/Interview Findings	Implications for the Study
1	Training	• Some employees, particularly those with more than five years of tenure, are not yet able to apply training outcomes to their daily work. • Training effectiveness has not been clearly felt in improving technical competence. • Training methods and materials are considered less relevant to actual job needs in the field.	• Indicates issues related to training effectiveness. • Serves as a basis for examining the effect of training on employee engagement and employee performance.
2	Career Development	• Employees feel they do not have a clear career direction. • They do not understand the competency stages required for promotion. • Limited communication from the company regarding career opportunities.	• Highlights the need to study the role of career development in improving motivation, engagement, and performance.
3	Reward System	• Financial and non-financial rewards have been provided, but they do not yet meet employee expectations. • Reward distribution is uneven among employees. • Rewards have not yet become a driver for performance improvement.	• Strengthens the need to analyze whether the reward system influences employee engagement and performance.
4	Employee Engagement	• Some employees show low enthusiasm and a weak sense of ownership toward the company. • Employees show limited emotional commitment to their work. • Motivation levels decline, especially among long-tenured employees.	• Reinforces the position of employee engagement as an important mediating variable linking training, career development, rewards, and performance.
5	Employee Performance	• Difficulty in consistently achieving targets. • Work reports are often submitted late. • Low level of work innovation, particularly in technical problem-solving. • Time efficiency and work quality are not yet optimal.	• Serves as a key indicator that certain variables (training, career development, rewards, engagement) influence performance. • Explains why this study is relevant to conduct.

Based on employee performance data in the Machining 1, Machining 2, Assembling, Mechanic, and PPC departments measured using Key Performance Indicators (KPIs), the average KPI scores were 87.69 in 2023, 71.58 in 2024, and 71.38 in mid-2025. This trend indicates a decline in employee performance levels based on KPI data over the past three years, which has become an important point in evaluating employee performance.

Table 2. Initial Problem Mapping

No	Research Variable	Evidence of Problems from Observation/Interviews
1	Training	• Employees make mistakes in the production process due to a lack of understanding of technical procedures. • Tasks that should be completed quickly take longer than the specified lead time. • Technical measurement errors and improper use of tools still occur. • Work results are inconsistent, causing quality control to frequently return the work.
2	Career Development	• Employees become less motivated to complete tasks on time. • Lack of enthusiasm to innovate or find more efficient working methods. • Decreased enthusiasm, resulting in frequent late arrivals or late returns from breaks. • A low sense of ownership of tasks leads employees to work merely to fulfill obligations rather than to achieve optimal quality.
3	Reward System	• Declining work enthusiasm, causing production targets to often not be achieved. • Employees do not show extra effort even when tasks are urgent. • Decreased discipline, as indicated by frequent tardiness. • Lack of strong encouragement to improve work quality.
4	Employee Engagement	• Employees appear less focused and less concerned about work outcomes. • Lack of initiative to correct errors before being reprimanded by supervisors. • Low enthusiasm when given new responsibilities. • Employees work merely to complete tasks rather than to deliver the best quality.
5	Employee Performance	• Tasks are often completed beyond the established lead time. • Low punctuality (frequently late in starting work or completing tasks). • Errors in the production process still occur frequently. • Work result reporting is often not completed on time. • The quality of work results is unstable and often requires revisions. • Minimal innovation in improving process weaknesses.

Employee engagement refers to the emotional involvement and attachment that employees have toward the goals and values of the organization where they work. Actively engaged employees show enthusiasm for their work, feel a strong connection with the organization, and are willing to contribute beyond expectations for the organization's success. Emotionally engaged employees have an emotional investment in their work and feel proud, as well as a sense of ownership, in what they do. Employee engagement is an important concept in human resource management that refers to the level of employees' emotional involvement, commitment, and enthusiasm toward their work and the organization in which they are employed. Engaged employees do not merely attend work and complete tasks; they also demonstrate high spirit, initiative, and dedication in contributing their best efforts to the organization. They feel a personal responsibility for the organization's success and take pride in being part of it (Annisa, 2025).

PT Andalan Fluid Sistem, as a company operating in the hydraulic and pneumatic cylinder industry, requires each employee to possess high technical skills, field-specific expertise, dedication, and honesty in their work. These values align with the company's three core principles: professionalism, integrity, and independence. However, these three aspects have not yet been fully realized optimally. This condition is caused by training programs that have not been sufficiently well targeted, resulting in employee competency improvements that have not shown significant outcomes. Similarly, employees at PT Andalan Fluid Sistem, in line with the company's vision, are continuously encouraged to enhance their competencies through various training programs designed as part of the human resource development strategy. These training programs are expected to strengthen skills, broaden knowledge, and foster professionalism in daily work activities. However, in reality, the outcomes of these training programs have not fully reflected optimal capability improvement. Some employees still experience difficulties in applying the knowledge and skills gained during training into actual work practices, resulting in performance that has not shown significant improvement. Training is an integral part of employee competency development aimed at improving knowledge, skills, and work attitudes. The training process needs to emphasize understanding and the proper application of work techniques, particularly in the use of equipment and other supporting facilities. With a focused approach, training

will help employees master specific skills and expertise relevant to their field of work. In addition, the success of training can be measured by the extent to which the procedures and steps implemented address the real needs of the workforce in the field. Thus, well-planned and needs-based training serves as an important benchmark in improving employee quality and professionalism in the workplace. Career development is one of the variables that influence employee behavior and performance. It enompasses various organizational efforts to help employees enhance their abilities, expand their knowledge, and prepare themselves for higher career levels. Career development has its own directions or pathways and options that allow each employee to develop their career in ways that reflect their goals and capabilities (Yeyen Komalasari, 2018). Career development is a fundamental aspect of human resource management that focuses on enhancing individuals' skills, knowledge, and experience within an organization. It does not only involve promotion or job transfers but also includes various forms of learning and experience that help individuals achieve their full potential (Mufti Hasan et al., 2025).

In addition, improvements in wage systems, bonus provision, and social security can foster employee satisfaction with the rewards they receive. Rewards are understood as forms of appreciation provided by the company to employees for their contributions, dedication, and performance in achieving organizational goals. Such rewards are an important part of the human resource management function, focusing on how organizations recognize individual and group efforts for achieved outcomes. The existence of a fair and proportional reward system is a strategic factor in attracting, motivating, and retaining employees so that they remain committed to the organization and continue to deliver their best performance. Providing rewards to employees can serve as a strong motivational factor in improving performance, because the higher an employee's performance, the higher the rewards provided by the company (Kadarisman in Setyowati et al., 2021).

However, in practice, rewards that are not optimally aligned with the work performed by employees can negatively affect their enthusiasm at work. This condition contrasts with the view that an appropriately implemented reward system can be a primary driver of improved employee performance. In this context, employee engagement plays an important role as a mediating variable that bridges the effects of training, career development, and reward systems on employee performance. Employees with high levels of engagement feel more emotionally attached to the company, have a strong sense of ownership of their work, and are motivated to contribute their best efforts. Therefore, enhancing employee engagement is a key factor for PT Andalan Fluid Sistem in optimizing employee performance and achieving sustainable competitive advantage. Based on the background described above, the researcher is motivated to conduct a study entitled: **"Analyzing the Impact of Training, Career Development, and Reward Systems on Employee Performance: The Role of Employee Engagement as a Mediator at PT Andalan Fluid Sistem."**

LITERATURE REVIEW

Performance

Mangkunegara (as cited in Indaryati et al., 2023) states that performance refers to the manner in which work is carried out and the results achieved from that work; therefore, performance encompasses both what is done and how it is done in order to achieve performance objectives. Performance (work achievement) is the qualitative and quantitative result of an employee's work in carrying out tasks in accordance with the responsibilities assigned to them. Performance reflects a person's attitude in carrying out their work. In assessing performance, it is also necessary to compare work results with the targets achieved. Performance is evaluated based on several aspects, namely work competence, experience possessed, and the time required to complete tasks (Aryanti, 2018). One factor influencing performance is the role of knowledge management in organizations, which has increasingly gained attention in line with the rising demands of a knowledge-based economy. This condition encourages organizations to view knowledge management as an important strategy for enhancing productivity and operational efficiency (Yuliawati & Aryanti, 2023).

Employee Engagement

According to Soedarto and Hardi (2023), employee engagement refers to the emotional commitment that employees have toward the organization and its goals. Furthermore, Akbarjono (2018) defines employee engagement as an overall commitment of employees to their organization, which is based on emotional attributes such as enthusiasm, discretionary effort, and a willingness to exert substantial effort toward their work. An erosion of employee loyalty can be partially due to disparities between the benefits employees receive from the company and their assigned job duties (Septiana et al., 2024).

Training

Training is a systematic process aimed at improving employees' knowledge, skills, and work behavior so that they are able to meet the performance standards expected by the organization (Rivai & Sagala, 2020). Another view suggests that training functions as a means to improve an individual's work capabilities in a relatively short period of time, particularly in mastering technical skills that are directly related to job execution (Handoko, 2018).

Career Development

According to Brown and Lent (as cited in Abidin et al., 2022), career development is the result of an individual's efforts in performing a role or job, marked by the attainment of a certain level or stage that progresses from one level to a higher and better level within an organization, institution, school, college, or university. Meanwhile, Noor (2023) defines career development as a process of enhancing and adding to an employee's capabilities, carried out formally and continuously, in order to achieve career goals and objectives. According to , career development is an effort undertaken to determine the number and level of job positions that an individual seeks when planning their career.

Reward

According to Sugianingrat and Sarmawa (2024), a reward is a form of appreciation or compensation given to an individual or group for demonstrating good behavior, achieving excellence or accomplishments, making a contribution, or successfully completing assigned tasks in accordance with predetermined targets.

Hypothesis

A hypothesis is a provisional assumption regarding a research problem that still needs to be tested for its validity through empirical examination. It is considered provisional because the proposed answer is based solely on theoretical foundations and has not yet been verified by data. Therefore, hypotheses are formulated based on a previously developed conceptual framework, serving as an initial logical response to the research problem (Rahmi et al., 2023) .

Based on the theoretical review and the results of previous studies, the research hypotheses are formulated as follows:

H1: Training has an effect on employee performance.
H2: Training has an effect on employee engagement.
H3: Training has an effect on employee performance through employee engagement.
H4: Career development has an effect on employee performance.
H5: Career development has an effect on employee engagement.
H6: Career development has an effect on employee performance through employee engagement.
H7: The reward system has an effect on employee performance.
H8: The reward system has an effect on employee engagement.
H9: The reward system has an effect on employee performance through employee engagement.

METHOD

This study employs a quantitative method with descriptive and verificative approaches (Aryanti et al., 2022)**.** The descriptive approach is used to describe the conditions of training, career development, reward systems, *employee engagement*, and employee performance, while the verificative approach aims to test both direct and indirect effects among the research variables. The quantitative method is chosen because it allows the measurement of relationships between variables objectively through numerical data and statistical analysis, as stated by Leon et al. (2024), who define quantitative research as a systematic scientific investigation of phenomena and their causal relationships. The data source used in this study is primary data (Munawaroh & Nuridin, 2025), obtained directly from the respondents. The research was conducted at PT Andalan Fluid Sistem in Indonesia, with a population of 349 employees at the operator and staff levels in the Production Division, from which a sample of 186 respondents was determined using *simple random sampling* and the Slovin formula. Data were collected through closed-ended questionnaires using a Likert scale and supported by interviews to obtain more in-depth and factual information. Hypothesis testing and data analysis were carried out using the Structural Equation Model based on Partial Least Squares (SEM-PLS), which, according to Haryono (2016), is appropriate for examining predictive relationships among constructs and for theory development.

RESULTS AND DISCUSSION

Outer Model Analysis Results

Discriminant Validity Test Results

Discriminant validity can be evaluated through the Average Variance Extracted (AVE) values. Each construct is considered to have good discriminant validity if the square root of the AVE value is higher than the correlation values among constructs in the model, with a minimum threshold of AVE > 0.50. In addition, cross-loading values are also used to assess the adequacy of discriminant validity, where each indicator should have a higher loading value on its intended construct than on other constructs.

Table 3. Average Variance Extracted (AVE) Results

	Average variance extracted (AVE)
Training (X1)	0.701
Career Development (X2)	0.650
Reward System (X3)	0.706
Employee Engagement (Y)	0.804
Employee Performance (Z)	0.732

Table 3 shows the AVE values for all variables in the study, indicating that the training variable has an AVE value of 0.701, career development 0.650, reward system 0.706, employee performance 0.804, and employee engagement 0.732. All AVE values exceed the minimum threshold of 0.50; therefore, it can be concluded that each construct has met the criteria for convergent validity. This indicates that the indicators used are able to adequately represent their respective latent variables. The results of discriminant validity testing can also be assessed using the Fornell–Larcker criterion, in which the loading value on the intended construct must be greater than the loading values on other constructs. The results are presented as follows:

Table 4. Fornell–Larcker Criterion Discriminant Validity Results

	X1	X2	X3	Y	Z
Training (X1)	0.837				
Career Development (X2)	0.764	0.806			
Reward System (X3)	0.679	0.689	0.840		
Employee Engagement (Y)	0.824	0.810	0.759	0.897	
Employee Performance (Z)	0.720	0.716	0.711	0.815	0.856

Table 4 presents the discriminant validity results using the Fornell–Larcker criterion. The square root of the AVE values shown on the diagonal of the table is higher than the correlations among constructs outside the diagonal. This indicates that each research variable training, career development, reward system, employee engagement, and employee performance has good discriminant validity. Therefore, it can be concluded that each construct is adequately distinct from one another. The discriminant validity assessment can also be conducted using the Heterotrait–Monotrait Ratio (HTMT), as presented in the following results:

Table 5. HTMT Discriminant Validity Results

	X1	**X2**	**X3**	**Y**	**Z**
Training (X1)					
Career Development (X2)	0.844				
Reward System (X3)	0.737	0.755			
Employee Engagement (Y)	0.881	0.877	0.805		
Employee Performance (Z)	0.779	0.784	0.762	0.866	

Table 5 presents the discriminant validity results using the Heterotrait–Monotrait Ratio (HTMT) method. All HTMT values among constructs are below the threshold of 0.90, indicating that the relationships among latent variables are within an acceptable range. Therefore, these results strengthen the discriminant validity of the research model, as each construct demonstrates clear distinctions from one another.

Reliability Test Results

Reliability testing is conducted to ensure that the instrument measures accuracy, consistency, and precision of the constructs. For reliability testing of constructs with reflective indicators, the Cronbach's Alpha value should be greater than 0.7 for confirmatory research and greater than 0.6 for exploratory research. Indicator groups measuring a variable should also have a Composite Reliability value greater than 0.7 for confirmatory research, while values between 0.6 and 0.7 are still acceptable for exploratory research.

Table 6. Composite Reliability and Cronbach's Alpha Results

	Cronbach's alpha	Composite reliability (rho_a)
Training (X1)	0.914	0.916
Career Development (X2)	0.892	0.894
Reward System (X3)	0.917	0.922
Employee Engagement (Y)	0.951	0.952
Employee Performance (Z)	0.927	0.928

Table 6 presents the reliability test results using Cronbach's Alpha and Composite Reliability (rho_a). All research constructs have Cronbach's Alpha and Composite Reliability values above 0.70, indicating that the indicators for each variable have very good internal consistency.

Inner Model (Structural Model) Testing

R-Square (R^2) Test Results

The R^2 value is used to determine the extent of contribution provided by each variable. It shows how well the independent variables explain the dependent variable. The higher the R^2 value, the better the constructed model. An R^2 value of 0.67 is categorized as strong, 0.33 as moderate, and 0.19 as weak. The R^2 results obtained using SmartPLS 4.0 are presented in the table below.

Table 7. R-Square Results

Model	R-square	R-square adjusted
Y	0.823	0.819
Z	0.636	0.629

Table 7 presents the R-Square and Adjusted R-Square values in the research model. The employee engagement variable (Z) has an R-Square value of 0.636, indicating that 63.6% of its variability can be explained by the independent variables, while the remaining portion is influenced by factors outside the model. Meanwhile, the employee performance variable has an R-Square value of 0.823, showing that 82.3% of its variability can be explained by the variables in the model. This value falls into the strong category, indicating that the research model has good explanatory power for the dependent variables.

Q-Square Test Results

The Q^2 value is used to measure how well the observed values are generated by the model and its parameter estimates. A Q^2 value greater than 0 indicates that the model has good predictive relevance, while a Q^2 value less than 0 suggests that the model has poor predictive relevance. The Q-Square results obtained using SmartPLS 4.0 are presented in the table below.

Table 8. Cross-Validated Redundancy (Q^2) Results

Model	Q^2predict
Y	0.780
Z	0.615

Table 8 presents the Cross-Validated Redundancy (Q^2) values for the mediating variable, employee engagement (Z), and the dependent variable, employee performance (Y). The Q^2 value for employee engagement is 0.615, and for employee performance, it is 0.780. Both values are greater than zero, indicating that the model has good predictive relevance. Therefore, overall, these results show that the model is capable of predicting the dependent variables with a high degree of accuracy.

Effect Size (f^2) Test Results

The f^2 value is used to assess the relative impact of exogenous latent variables on endogenous latent variables. An f^2 value of 0.02 indicates a small effect, 0.15 indicates a moderate effect, and 0.35 indicates a large effect on the structural model. The f^2 results obtained using SmartPLS 4.0 are presented in the following table:

Table 9. Effect Size (f^2) Results

Model	Effect Size (F^2)	Description
X1→Y	0.181	currently
X2→Y	0.115	currently
X3→Y	0.067	Small
Z →Y	0.183	currently
X1→Z	0.089	Small
X2→Z	0.069	Small
X3→Z	0.139	currently

Table 9 presents the results of the effect size (f^2) calculations, indicating that training (X1), career development (X2), and employee engagement (Z) have a moderate effect on employee performance (Y). Meanwhile, the reward system (X3) has a small effect on employee performance. With respect to employee engagement, training (X1) and career development (X2) exert a small effect, whereas the reward system (X3) shows a moderate effect. Overall, these variables contribute within the small to moderate categories in influencing employee engagement and employee performance.

Goodness of Fit (GoF) Test Results

The GoF value is used to assess the overall fit of the model, which represents a combination of the outer model and the inner model. A GoF value of 0.1 is categorized as small, 0.25 as moderate, and 0.36 as large. The GoF value can be calculated using the following formula:

GoF = $\sqrt{AVE\ x\ R^2}$

Based on the previous calculations, the average AVE and R-Square values of the resulting model were obtained as follows:

$$Average\ AVE = \frac{0{,}701 + 0{,}650 + 0{,}706 + 0{,}804 + 0{,}732}{5} = 0{,}7186$$

$$Average\ R\ Square\ = \frac{0{,}823 + 0{,}636}{2} = 0{,}7295$$

$$GoF = \sqrt{0{,}7186\ x\ 0{,}7295}$$

$$GoF = 0{,}724$$

The results show a GoF value of 0.724 > 0.36. This indicates that the model has an excellent overall fit, both in terms of construct validity and the predictive ability of the endogenous variables.

Path Coefficient Test Results

The measurement of path coefficients among constructs is conducted to examine the significance and strength of the relationships as well as to test the hypotheses. Path coefficient values range from −1 to +1. The closer the value is to +1, the stronger the relationship between the two constructs. Conversely, values closer to −1 indicate a negative relationship.

Table 10. Path Coefficients

Model	Path Coefficients	Description
X1→Y	0.306	Positif
X2→Y	0.245	Positif
X3→Y	0.169	Positif
Z →Y	0.298	Positif
X1→Z	0.296	Positif
X2→Z	0.264	Positif
X3→Z	0.329	Positif

Table 10 presents the estimated path coefficients that describe the relationships among variables in the research model. The analysis results indicate that all relationships among constructs in the model have positive coefficients; therefore, it can be concluded that all variables exert effects in the same direction.

Hypothesis Testing

Hypothesis testing was conducted using the bootstrapping procedure, which produces *t*-statistics and significance values for each relationship path used to test the hypotheses. Significance testing of these relationships was carried out using the bootstrapping method. A relationship is considered significant if the *p*-value is less than 0.05, indicating a significance level of $\alpha = 5\%$.

Table 11. Results of Hypothesis Testing

Model	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (|O/STDEV|)	P values	Description
Direct						
X1 -> Z	0.296	0.297	0.090	3.300	0.001	H1 Accepted
X1 -> Y	0.306	0.299	0.092	3.335	0.001	H2 Accepted
X2 -> Z	0.264	0.265	0.098	2.699	0.007	H4 Accepted
X2 -> Y	0.245	0.245	0.065	3.791	0.000	H5 Accepted
X3 -> Z	0.329	0.327	0.076	4.325	0.000	H7 Accepted
X3 -> Y	0.169	0.168	0.052	3.256	0.001	H8 Accepted
Indirect						
X1 -> Z -> Y	0.088	0.094	0.042	2.119	0.034	H3 Accepted
X2 -> Z -> Y	0.079	0.082	0.036	2.156	0.031	H6 Accepted
X3 -> Z -> Y	0.098	0.099	0.028	3.553	0.000	H9 Accepted

The results of hypothesis testing in this study are based on the analysis of T-statistic and P-value through the bootstrapping technique. The effect between constructs is considered significant if it meets the criterion of P-value < 0.05. The explanations of the hypothesis testing results are as follows:

a. Hypothesis 1 Testing
The findings show a coefficient value of 0.296 with a t-statistic of 3.300 and a p-value of 0.001 < 0.05. This indicates that H1 is accepted, meaning that training implementation has a significant effect on employee performance.

b. Hypothesis 2 Testing
The findings show a coefficient value of 0.306 with a t-statistic of 3.335 and a p-value of 0.001 < 0.05. This indicates that H2 is accepted, meaning that training implementation has a significant effect on employee engagement.

c. Hypothesis 3 Testing
The findings show a coefficient value of 0.088 with a t-statistic of 2.119 and a p-value of 0.034 < 0.05. This indicates that H3 is accepted, meaning that employee engagement acts as a mediator in the relationship between training and employee performance.

d. Hypothesis 4 Testing
The findings show a coefficient value of 0.264 with a t-statistic of 2.699 and a p-value of 0.007 < 0.05. This indicates that H4 is accepted, demonstrating that career development has a significant effect on employee performance.

e. Hypothesis 5 Testing
The findings show a coefficient value of 0.245 with a t-statistic of 3.791 and a p-value of 0.000 < 0.05. This indicates that H5 is accepted, demonstrating that career development has a significant effect on employee engagement.

f. Hypothesis 6 Testing
The findings show a coefficient value of 0.079 with a t-statistic of 2.156 and a p-value of 0.031 < 0.05. This indicates that H6 is accepted, meaning that employee engagement acts as a mediator in the relationship between career development and employee performance.

g. Hypothesis 7 Testing

The findings show a coefficient value of 0.329 with a t-statistic of 4.325 and a p-value of 0.000 < 0.05. This indicates that H7 is accepted, demonstrating that the reward system has a significant effect on employee performance.

h. Hypothesis 8 Testing

The findings show a mediating coefficient value of 0.169 with a t-statistic of 3.256 and a p-value of 0.001 < 0.05. This indicates that H8 is accepted, demonstrating that the reward system has a significant effect on employee engagement.

i. Hypothesis 9 Testing

The findings show a mediating coefficient value of 0.098 with a t-statistic of 3.533 and a p-value of 0.000 < 0.05. This indicates that H9 is accepted, meaning that employee engagement acts as a mediator in the relationship between the reward system and employee performance.

CONCLUSION

Based on the findings and discussion presented previously, the following conclusions can be drawn:

1. The implementation of employee training at PT Andalan Fluid Sistem is categorized as good, indicating that the training has been carried out effectively and provides benefits for the participating employees.
1. Employee career development at PT Andalan Fluid Sistem is categorized as good. The company has provided an adequate career development system; however, several aspects can still be improved to enhance employee satisfaction and career clarity.
2. The reward system at PT Andalan Fluid Sistem is categorized as good, reflecting that the company's reward system has been implemented fairly effectively, although some aspects can still be improved to optimize the system and more evenly enhance employee motivation and job satisfaction.
3. The level of employee engagement at PT Andalan Fluid Sistem is categorized as good, meaning that employee engagement has been fairly well established, although there is still room to strengthen employees' emotional attachment to their work.
4. Employee performance at PT Andalan Fluid Sistem is categorized as good, indicating that employees are able to manage their time, achieve targets, maintain high motivation, and complete tasks in accordance with deadlines.
5. Training has a positive and significant effect on employee performance. In other words, the implementation of training directly contributes to employees' behavior in carrying out their tasks.
6. Training has a positive and significant effect on employee engagement, indicating that better training implementation leads to higher employee engagement.
7. Training affects employee performance through employee engagement, meaning that employee engagement is able to mediate the effect of training on employee performance. Thus, training not only has a direct effect on employee performance but also an indirect effect through employee engagement.
8. Career development has a positive and significant effect on employee performance, indicating that effective career development can improve employees' behavior in performing their tasks.
9. Career development has a positive and significant effect on employee engagement, meaning that career development which satisfies employees can increase employee engagement.
10. Career development affects employee performance through employee engagement, indicating that employee engagement mediates the effect of career development on employee performance. This means that career development not only has a direct effect on employee performance but also an indirect effect through employee engagement.
11. The reward system has a positive and significant effect on employee performance, meaning that the higher the rewards received by employees, the better their behavior in carrying out their tasks.
12. The reward system has a positive and significant effect on employee engagement, indicating that higher rewards lead to better employee engagement.
13. The reward system affects employee performance through employee engagement, confirming that employee engagement is an important mediator between the reward system and employee performance. This implies that the reward system not only has a direct effect on employee performance but can also be mediated through employee engagement.

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