

The Role of Competence on Motivation and Its Impact on Human Resource Performance

Bobby Sterino Salam ¹⁾ & Widodo ²⁾

¹⁾ Faculty of Economic, Universitas Islam Sultan Agung (UNISSULA) Semarang, Indonesia, E-mail: bobbysterinosalam.std@unissula.ac.id

²⁾ Faculty of Economic, Universitas Islam Sultan Agung (UNISSULA) Semarang, Indonesia, E-mail: widodo@unissula.ac.id

Abstract. *This study employed a quantitative survey framework, adopting an explanatory approach to uncover relational dynamics among variables. The population encompassed all employees of Bank Indonesia Jakarta, from which a sample of 100 individuals was systematically selected. Data were collected via structured questionnaires. Subsequent data analysis utilized Structural Equation Modeling-Partial Least Square (SEM-PLS) facilitated by SmartPLS software. Findings reveal several significant patterns: first, competence exerts a positive and statistically significant influence on employee motivation, suggesting that well-developed skills and knowledge empower employees to navigate workplace challenges with increased preparedness and intrinsic drive. Second, motivation demonstrably enhances employee performance; highly motivated staff exhibit greater focus, enthusiasm, and sustained effort, resulting in superior performance outcomes. Third, competence independently contributes positively to performance, confirming that employees' abilities enable more efficient and effective task execution. Finally, motivation functions as a mediating mechanism, amplifying the effect of competence on performance, implying that internal drive encourages employees to deploy their skills optimally, thus achieving enhanced overall performance.*

Keywords: Competence; Human Resource Performance; Impact; Motivation.

1. Introduction

Amidst the dynamics of fast-paced and uncertain business competition, an organization's success is no longer solely determined by strategy or capital, but rather by the quality of its human resources. Employees who combine superior competencies, passionate motivation, and optimal work capacity serve as the driving force behind achieving the organization's strategic goals. In this context, organizations are required to systematically manage and develop human resource potential, based on accurate data, and continuously adapt development strategies to the ever-changing environment.

Kim and Park (2023) stated that organizations that implement performance evaluation systems with measurable and effectively communicated indicators tend to have higher levels of employee engagement. Recognition of employee efforts through fair mechanisms fosters a sense of ownership and strengthens loyalty to the organization. Therefore, management is required to design and refine evaluation systems that not only measure final results but also assess work processes, behaviors, and individual capacities comprehensively, so that every contribution is valued proportionally and meaningfully.

On the other hand, competence is a vital component in determining an employee's ability to complete tasks and face work challenges. Competence encompasses knowledge, technical skills, and a professional attitude that support the achievement of effective work results. Employees with a high level of competence are better prepared to face change and are able to work efficiently (Singh & Patel, 2024). Competence not only serves as a foundation for technical ability but also serves as a catalyst for work motivation. Employees who are confident in their skills and knowledge tend to express greater enthusiasm, maintain a spirit of innovation, and consistently contribute to organizational achievements (Zhang et al., 2023).

Work motivation acts as an internal driving force that determines the direction and intensity of individual performance, creating psychological energy that drives maximum effort in facing professional challenges. Fernandez and Liu (2024) explain that motivation serves as a connecting mechanism between various organizational policies, such as competency development, and employee performance. When motivation is at a high level, employees demonstrate sharper focus, greater resilience to pressure, and a strong commitment to their responsibilities and tasks, resulting in more reliable and sustainable work performance.

Research by Zhang, Chen, and Luo (2023) shows that work motivation can be enhanced through results-based rewards, a supportive work climate, and opportunities for continuous competency development. Employees who feel supported in their career and professional development generally perform better than those who feel they are not being developed or recognized.

The relationship between competency, motivation, and employee performance has been the focus of numerous previous studies, but the context of its application in Indonesian organizations remains relevant for further exploration. Although various organizations have adopted modern performance management systems, their implementation often falls short of optimally building motivation or developing overall competency. Yet, integrating evaluation and HR development is an effective approach to improving overall organizational performance.

Employee performance is influenced not only by personal factors such as competence and motivation, but also by the managerial system and work culture within the organization. Therefore, a comprehensive HR management strategy needs to be designed, combining fair assessments, planned competency development, and continuous strengthening of work motivation. This approach is believed to produce more consistent employee performance aligned with the organization's long-term goals.

Based on this framework, this study was designed to explore the influence of competency on work motivation and its impact on employee performance. This approach is expected to significantly contribute to both more adaptive and evidence-based managerial practices and the development of academic literature in human resource management. The findings are expected to provide a foundation for formulating more structured, effective, and outcome-focused HR development policies.

Employee performance report at Bank Indonesia Jakarta in 2024

| No | Job description | Performance Target | Realization | Achievement (%) | Information |
|----|---|--------------------|--------------|-----------------|----------------------|
| 1 | Preparation of monthly economic reports | 12 reports | 12 reports | 100% | On time |
| 2 | Analysis of regional inflation trends | 6 analysis | 5 analysis | 83% | 1 analysis pending |
| 3 | Public financial education activities | 4 activities | 5 activities | 125% | Exceeding the target |
| 4 | Evaluation of regional monetary policy | 2 reports | 2 reports | 100% | As planned |

Source: Bank Indonesia Jakarta performance report 2024

Preparation of Monthly Economic Reports. Target: 12 reports, Realization: 12 reports, Achievement: 100%, Analysis: The employee successfully compiled all reports in accordance with the annual target. This demonstrates a commitment to timeliness and routine responsibilities. There were no delays or deficiencies in terms of quantity or quality reported.

Regional Inflation Trend Analysis. Target: 6 analyses, Realization: 5 analyses, Achievement: 83%, Analysis: Achievement below target indicates obstacles, both technical and non-technical. One analysis was delayed, which could impact regional policy planning. Root causes, such as data or resource constraints, need to be identified so they can be addressed in the next period.

Public Financial Education Activities. Target: 4 activities, Realization: 5 activities, Achievement: 125%, Analysis: Performance above expectations demonstrates employee initiative and proactivity in providing financial literacy to the public. This has a positive impact on the institution's image and increased public understanding of the financial system.

Evaluation of Regional Monetary Policy. Target: 2 reports, Realization: 2 reports, Achievement: 100%, Analysis: The target was achieved according to plan, indicating that this strategic task has been carried out consistently. This evaluation is important to provide input for adjusting monetary policy at the local level.

Overall, employee performance ranged from good to excellent. Three of the four performance indicators met or exceeded targets. One indicator requires special attention to improve future performance. Employees demonstrated the ability to effectively complete routine and strategic tasks and demonstrated initiative in external activities.

The research gap in this study is that competency has a diverse influence on HR performance. Research by Zhou et al. (2024) shows that employee competency, both technical and interpersonal, significantly improves HR performance, especially when supported by ongoing training and results-based evaluation. However, a study by Rahman & Lee (2023) found that increasing competency does not always directly correlate with improving HR performance, especially if the competencies possessed do not align with job demands or are not optimally utilized within the organization.

2. Research Methods

This research is classified as an "Explanatory Study," aiming to map and test the influence of competency on motivation and its implications for employee performance. Within this framework, the research is explanatory, which, according to Sugiyono (2013), emphasizes the causal relationship between variables through the testing of predetermined hypotheses. The chosen approach is quantitative, where data is coded numerically and analyzed using statistical methods, allowing for objective and systematic measurement of the relationships between variables.

3. Results and Discussion

3.1. Respondent Overview

The research analysis unit was focused on Bank Indonesia Jakarta employees. Data collection was conducted through an online Google Forms-based questionnaire distributed using the WhatsApp application. The distribution process took place between July 28 and August 10, 2025, and resulted in the participation of 100 respondents, all of whom were Bank Indonesia Jakarta employees, with demographic characteristics as described in the following section:

Table Respondent Characteristics

| Karakteristik | Keterangan | Frekuensi | Persentase |
|---------------------|---------------|------------|------------|
| Jenis Kelamin | Laki-laki | 80 | 80 |
| | Perempuan | 20 | 20 |
| | Total | 100 | 100 |
| Usia | 31 – 35 tahun | 44 | 44 |
| | 36 – 40 tahun | 25 | 25 |
| | 41 – 45 tahun | 16 | 16 |
| | 46 – 50 tahun | 9 | 9 |
| | >50 tahun | 6 | 6 |
| | Total | 100 | 100 |
| Pendidikan Terakhir | S1 | 89 | 89 |
| | S2 | 11 | 11 |
| | Total | 100 | 100 |
| Lama Bekerja | 5 – 10 tahun | 40 | 40 |
| | 11 – 15 tahun | 28 | 28 |
| | 16 – 20 tahun | 10 | 10 |
| | >20 tahun | 22 | 22 |
| | Total | 100 | 100 |

Based on the gender characteristics of 100 Bank Indonesia Jakarta employees, it is known that 80% are male, this shows that men are considered the head of the family and the main breadwinner, so that men can work in various sectors including banking.

Age characteristics indicate that 44% of Bank Indonesia Jakarta employees are aged 31–35, representing a mature and productive age. Mature and productive employees possess broader and deeper work experience and emotional maturity, enabling them to better understand the dynamics of the workplace and address challenges more effectively.

The distribution of respondents by education level shows a predominance of bachelor's degrees (S1), accounting for 89% of the total employees. This composition reflects a workforce with a relatively high academic background. This educational background is implicitly associated with analytical capacity, the ability to solve complex problems, and self-confidence in carrying out work, which in turn serves as a foundation for achieving optimal performance.

The characteristics of length of service show as much as 40% Employees with 5-10 years of experience at Bank Indonesia Jakarta have more in-depth experience in Bank Indonesia Jakarta's operations and challenges, and are more familiar with existing procedures, systems, and networks, enabling them to contribute more effectively in their work.

3.1.1. Variable Description

Descriptive data processing was used to interpret the patterns of respondents' responses to each question in the research instrument. In this context, the descriptions were aimed at describing employee perceptions of the variables studied: competence, motivation, and performance. To classify response tendencies, this study applied score categories based on a scale range determined through an interval formula calculation (Umar, 2017):

$$\text{Hospital} : \frac{TT - TR}{\text{Scale}}$$

Information

Hospital : Scale Range

TR : Lowest Score (1)

TT : Highest Score (5)

Based on the formula above, the scale range can be calculated:

$$\text{Hospital} : \frac{5 - 1}{3}$$

$$\text{Hospital} : 1.3$$

Thus the interval value can be explained as follows:

$$\text{Low} : 1 - 2.33$$

Currently : 2.34 – 3.67

Tall : 3.68 – 5.0

3.1.2. Competence

Table Competence

| Code | Indicator | STS | TS | N | S | SS | Mean | Criteria |
|---------|----------------------------|-----|----|----|----|----|------|----------|
| KO1 | Digital literacy | 0 | 9 | 11 | 50 | 30 | 4.01 | Tall |
| KO2 | collaborative skills | 0 | 7 | 8 | 51 | 34 | 4.12 | Tall |
| KO3 | agility and adaptability | 2 | 6 | 11 | 54 | 27 | 3.98 | Tall |
| KO4 | leadership competencies | 2 | 7 | 13 | 50 | 28 | 3.95 | Tall |
| KO5 | innovative thinking skills | 0 | 5 | 11 | 48 | 36 | 4.15 | Tall |
| KO6 | emotional resilience | 0 | 4 | 17 | 46 | 33 | 4.08 | Tall |
| Average | | | | | | | 4.05 | Tall |

Based on Table, the average respondent response to the competency variable was 4.05, which is categorized as high. This value indicates that the majority of respondents gave a positive assessment to the statements in the questionnaire, thus it can be interpreted that Bank Indonesia Jakarta employees generally have an adequate level of competency in carrying out their duties. Respondents' responses regarding innovative thinking skills were the highest indicator, with a mean value of 4.15 (high). This indicates that Bank Indonesia Jakarta employee often offers new ideas that can improve team or organizational performance. The responses regarding leadership competency obtained a mean score of 3.95, the lowest indicator in this variable, but it falls into the high category. This indicates that Bank Indonesia Jakarta employee is able to make decisions confidently in difficult situations.

3.2. The Influence of Competence on Employee Motivation

The direct influence test shows that the p-value is $0.000 < 0.05$ with a t-statistic value of $41.911 > 1.96$, and the path coefficient (original sample) is positive at 0.901. Thus, the first hypothesis can be accepted: competence is proven to have a positive and significant influence on employee motivation.

These findings suggest that increasing an individual's capacity in the form of competency is directly proportional to their motivational drive. Employees who master relevant skills and knowledge tend to feel more confident in carrying out their responsibilities, thus being motivated to achieve higher work standards.

This relationship demonstrates a reciprocal relationship: competencies that align with job demands strengthen motivation, while the resulting motivation also encourages employees to optimize and develop their competencies. With relevant competencies, individuals not only complete their work more effectively but also derive psychological satisfaction from their success. This sense of satisfaction reinforces the internal drive to continue achieving and honing their skills.

Research by Hassan et al. (2023) explains that competency has been proven to strengthen teamwork and create positive synergy, leading to improved overall organizational performance. In their research, Zhang and Huang (2023) revealed that systematic

competency development efforts through digital training and learning can increase employee intrinsic motivation, as they feel more confident and able to face various challenges in their work.

Competence (indicators in this study; digital literacy, collaborative skills, agility and adaptability, leadership competency, innovative thinking skills, emotional resilience) can influence the motivation of Bank Indonesia Jakarta employees, it can be explained that bank employees who master digital literacy well will be more motivated because they feel more capable and confident in facing work challenges in the digital era. In the collaboration ability indicator, it can be explained that bank employees who are able to collaborate well allow employees to learn from each other, develop new skills, and expand their knowledge, this learning and self-development process can be a strong motivational driver (Haryanto, 2020).

Good agility and adaptability competencies in Bank Indonesia Jakarta employees will make employees more capable of dealing with frequent changes such as policies and the use of information technology in the banking industry, so that with these competencies employees can reduce stress and increase motivation. Leadership competencies mastered by Bank Indonesia Jakarta employees will make employees more capable of making good decisions and will motivate them to continue contributing.

Bank Indonesia Jakarta employees who possess innovative thinking skills will be more motivated because they feel challenged to generate new ideas and creative solutions in their work. Bank Indonesia employees who possess strong emotional resilience competencies tend to be more motivated at work because they are able to manage stress, face challenges, and maintain a positive spirit in various workplace situations.

Competent employees feel more confident in carrying out their duties. They believe they can complete the work well, thus increasing their motivation to work. With adequate competence, employees are better able to achieve work goals and contribute to the achievement of organizational objectives. Feeling the positive impact of their work can increase motivation. Furthermore, competent employees tend to receive positive feedback from superiors and coworkers. This positive feedback can strengthen their motivation and encourage them to continue developing themselves. High motivation encourages employees to continue learning and developing their competencies. They are more proactive in seeking opportunities to improve their knowledge and skills.

3.2.1. Influence of Motivation on Employee Performance

Path analysis shows that the influence of motivation on performance is supported by a p-value of $0.000 < 0.05$, with a t-statistic of $4.885 > 1.96$, and a positive path coefficient of 0.628. Thus, the second hypothesis can be accepted: motivation is proven to have a significant contribution in improving employee performance.

These results indicate that increasing the intensity of work motivation is in line with improvements in the quality of individual performance. Internally motivated employees tend to demonstrate higher enthusiasm, stable productivity, and more optimal work outcomes. The relationship between motivation and performance can be viewed as a

constructive, functional relationship. Strong motivation fosters a sense of responsibility, fosters enthusiasm, and strengthens work discipline, which is ultimately reflected in organizational productivity. Thus, motivation plays a role not only as a psychological variable but also as a strategic instrument in accelerating performance. Therefore, systematic efforts to understand, maintain, and manage employee motivation should be viewed as a long-term investment for organizational sustainability.

According to research by Lee and Park (2024), motivated workers tend to be more adaptable to change, exhibit high levels of inventiveness, and maintain consistent performance. This is in line with research by Putra and Sari (2023), which shows that employee loyalty and turnover rates can be significantly reduced through incentives, ultimately contributing positively to the sustainability of organizational performance. Research by Dlamini and Ncube (2024) shows that work motivation can encourage employees to achieve work targets optimally. Khan and Akhtar (2022) found that intrinsic motivation, such as the work itself, a sense of belonging to the organization, and achieving personal goals, significantly impacts individual performance. Research by Osei and Boateng (2023) further supports these findings, demonstrating that incentives and a supportive work environment can strengthen the relationship between motivation and work outcomes.

Motivation in this study (including indicators: goals to be achieved, awareness of responsibility, implementation of obligations, skill development, willingness to contribute and internal driving force) can affect the performance of Bank Indonesia Jakarta employees, this can be explained that employees who have goals to be achieved can help employees to prioritize their tasks and focus efforts on the most important aspects to get the desired results; when workers are more focused, they often perform better, which leads to increased results and higher quality work.

Bank Indonesia Jakarta employees who understand their roles will be more motivated to take responsibility for their work, be more proactive, and strive for the best results. Ultimately, this will increase overall productivity and work effectiveness. Bank Indonesia Jakarta employees who carry out their duties well tend to be more careful, meticulous, complete tasks on time, and meet targets, resulting in better work quality.

The ability of Bank Indonesia Jakarta employees to carry out their duties more effectively can be improved through various methods, including formal training, informal learning, or work experience. This will ultimately increase the volume and quality of work results. Then, the willingness to contribute indicator can be explained that employees who have the willingness to contribute actively can encourage employees to try harder, be more creative, and more innovative in their work, so that employees tend to be more proactive and results-oriented. Indicators of internal driving forces possessed by Bank Indonesia Jakarta employees can be the desire to achieve, a sense of responsibility, job satisfaction, or a desire for self-development. Employees with high internal driving forces tend to be more dedicated, more creative, and more productive.

High motivation will inspire employees to work harder and be more enthusiastic. This will impact work quality and productivity. Motivated employees will feel more responsible for their work. They will strive to achieve goals and complete tasks effectively.

3.2.2. The Influence of Competence on Employee Performance

The path estimation results show that the influence of competence on performance is supported by a p-value of $0.016 < 0.05$, with a t-statistic of $2.139 > 1.96$, and a positive coefficient of 0.282. This finding confirms the third hypothesis: competence has a positive and significant influence on employee performance.

The implication is that increased competency capacity is in line with improved work performance. Individuals who master relevant skills and knowledge are better prepared to face the dynamics of the workplace, whether in the form of changes in procedures, technology, or task complexity. With a solid competency base, employees are able to conduct sharper analyses, make decisions with greater accuracy, and produce output that directly impacts performance quality.

According to research by Ali et al. (2023), there is a strong relationship between competence and work productivity. Technical proficiency, problem-solving ability, and flexibility are essential components of competence for effective work performance. This finding aligns with a study in the service industry by Wang and Chen (2022), which showed that competency development through frequent training and assessment can improve work performance and customer satisfaction. Research by Ramírez and López (2024) shows that structured competency implementation can improve human resource performance. This is reinforced by the findings of Yusuf et al. (2023), which show that competency development has a direct impact on service quality and administrative accuracy.

The competencies in this study (including indicators; digital literacy, collaborative skills, agility and adaptability, leadership competency, innovative thinking skills, emotional resilience) are able to influence the performance of Bank Indonesia Jakarta employees. It can be explained that bank employees who master digital literacy tend to be more productive, able to communicate more effectively, and more innovative in their work. This is due to digital literacy which allows individuals to utilize information and communication technology optimally when carrying out their duties.

Collaborative skills can encourage Bank Indonesia Jakarta employees to be more open to new ideas and different approaches, thereby increasing creativity in their work. The agility and adaptability indicators can explain that adaptive Bank Indonesia Jakarta employees can easily adjust to changes in tasks, technology, or the work environment. Employee productivity and efficiency also increase. Bank Indonesia Jakarta employees who have leadership skills will be able to make wise decisions that will increase productivity, reduce errors, and enable them to operate more effectively.

The innovative thinking indicator among Bank Indonesia Jakarta employees shows that individuals with the capacity for unconventional thinking are more likely to generate fresh ideas, find unique problem-solving approaches, and adapt to the dynamics of change. This

ability, in turn, serves as a catalyst for improving overall performance. Meanwhile, emotional resilience is also a significant factor: employees who are able to channel their emotional energy positively tend to be more focused, have high work morale, and are able to express creativity in formulating solutions. The accumulation of these conditions contributes to superior work performance.

Bank Indonesia Jakarta's employee competencies extend beyond technical skills to encompass a broader spectrum, including digital literacy, cross-team collaboration, agility in the face of change, leadership skills, innovative thinking, and emotional control. The integration of these diverse capacities enables employees to work more effectively, fulfill their responsibilities with optimal results, and remain productive in a dynamic work environment. Therefore, strong competencies serve as a crucial foundation for supporting overall employee performance.

Empirically, competency has been proven to make a significant and positive contribution to employee performance. Individuals with a solid competency base generally demonstrate higher performance quality than those with minimal skills and knowledge. The competency dimension, which comprises aspects of knowledge, expertise, and work attitude, is a key instrument in achieving organizational goals. Therefore, investing in strengthening human resource competencies not only enhances individual capacity but also accelerates the collective achievement of the organization's strategic goals.

3.2.3. Indirect Effect Testing

Table

Indirect Effect Hypothesis Test (Specific Indirect Effect)

| Koefisien Jalur | <i>Original Sample (O)</i> | <i>Sampel mean (M)</i> | <i>Standard deviasi (STDEV)</i> | <i>T statistik</i> | <i>P values</i> | <i>Keputusan</i> |
|---|----------------------------|------------------------|---------------------------------|--------------------|-----------------|------------------|
| Kompetensi -> Motivasi -> Kinerja Pegawai | 0.566 | 0.573 | 0.120 | 4.727 | 0.000 | Mampu memediasi |

Examining the statistical output in Table, the p-value for the specific indirect effect path is recorded at 0.000, clearly lower than the significance threshold of 0.05. Meanwhile, the T-Statistics value reaches 4.727, exceeding the critical limit of 1.96, with a positive original sample coefficient of 0.566. This combination of numbers explicitly indicates that motivation serves as a valid link in strengthening the relationship between competence and employee performance, while also proving a significant mediating role.

Table

Direct Effect, Indirect Effect and Total Effect

| Kompetensi | Original sample (O) | Sample mean (M) | Standard deviation (STDEV) | T statistik | P values |
|------------------------|---------------------|-----------------|----------------------------|-------------|----------|
| <i>Direct Effect</i> | 0.282 | 0.274 | 0.132 | 2.139 | 0.016 |
| <i>Indirect Effect</i> | 0.566 | 0.573 | 0.120 | 4.727 | 0.000 |
| <i>Total Effect</i> | 0.848 | 0.847 | 0.035 | 24.284 | 0.000 |

The data in Table shows that the direct effect between employee competence and performance produces a coefficient of 0.282. However, when motivation is included as a mediator, the indirect effect jumps to 0.566. When both are added together, the total effect reaches 0.848. This proportion demonstrates that the detour—through motivation—generates a stronger impact than the direct path. In other words, employee competence only reaches its full potential when facilitated by motivational encouragement.

This finding parallels a general pattern in mediation theory: indirect influences tend to outweigh direct ones. A simple analogy: intellectual stimulation on human resource performance will not be optimal without the presence of self-efficacy as a psychological intermediary. The same holds true here: an employee's inherent competence finds its true effectiveness when channeled through motivation. Employees with high skills will be driven to demonstrate optimal performance because they feel challenged and appreciated, thus amplifying the effect on performance.

Recent literature supports this pattern. Anderson and Liu (2023) emphasize that competencies serve as a "bridge" that connects individual orientation with organizational goals. Employees who perceive their capabilities as aligned with job requirements tend to be more motivated because tasks can be executed smoothly and opportunities for recognition are available. Morales and Tanaka (2024) reinforce this argument with empirical evidence: organizations that actively manage employee competencies experience a 27% increase in motivation, particularly in the public and service sectors.

The implication is clear: employees with high competence are typically more confident in executing their tasks, thus boosting their motivation. Strong motivation then acts as a "fuel" that drives focus, consistency, and creativity at work, ultimately leading to significant performance improvements. In the Bank Indonesia Jakarta environment, this can be illustrated with a practical example: an employee with superior technical skills but minimal motivation is likely to fail to deliver optimal performance. However, when that individual is driven by both intrinsic and extrinsic motivation, their competence can be fully utilized to produce timely and high-quality work output.

1. R-square(R2)

The entire proportion of variability explained by the constructs in the model is reflected through the R-Square indicator. The estimated R-Square value generated by the calculation system is as follows:

Table 4.13 R-Square Value

| No | Variabel | R-Squares | Adjusted R-Squares |
|----|-----------------|-----------|--------------------|
| 1 | Kinerja Pegawai | 0.793 | 0.789 |
| 2 | Motivasi | 0.812 | 0.810 |

Referring to Table 4.13, the Adjusted R-Square for the employee performance variable reached 0.789. This figure means that almost 78.9% of the variation in performance behavior can be traced back to the combination of competence and motivation, while the remaining portion of 21.1% comes from other determinants outside the scope of the study. On the other hand, the Adjusted R-Square for motivation was recorded at 0.810, which suggests that approximately 81% of changes in motivation are explained by competence, with the remaining 19% driven by external factors not included in the model.

2. F-Square(F2)

According to the F^2 classification criteria proposed by Setiaman (2023), there are three effect weight categories: 0.02 indicates a small or weak effect, 0.15 refers to a moderate or sufficient category, and 0.35 indicates a strong or large effect. The following is the output of the F-Square test in the study:

Table F-Square Value

| Hubungan Variabel | <i>f</i> <i>Squares</i> | Pengaruh substantif |
|--------------------------------|----------------------------|------------------------|
| Kompetensi -> Kinerja pegawai | 0.073 | Kecil |
| Kompetensi -> Motivasi pegawai | 4.307 | Besar |
| Motivasi -> Kinerja pegawai | 0.360 | Besar |

Referring to the table, it can be observed that the most dominant substantive influence occurs in the competency-to-motivation path with a value of 4.307, as well as the motivation-to-performance path with a value of 0.360. Conversely, a relatively small substantive effect was found in the relationship between competency and employee performance, which only reached 0.073.

3. Goodness of Fit

Data processing with SmartPLS 4.0 software produces a number of model fit indices, namely "SRMR, d_ULS, d_G, chi-square, and NFI".

Table Results of the Goodness of Fit Model Test

| No | Struktural Model | Cut-Off Value | Estimated | Keterangan |
|----|------------------|---|-----------|------------|
| 1 | SRMR | < 0,10 | 0.075 | Fit |
| 2 | d_ULS | > 0,05 | 0.865 | Fit |
| 3 | d_G | > 0,05 | 0.913 | Fit |
| 4 | Chi-Square | $> X^2_{tabel}$ (df = 97; $X^2_{tabel} = 120.9896$) | 450.012 | Fit |
| 5 | NFI | Mendekati 1 | 0.742 | Fit |

The results of the PLS-based goodness of fit test in the table above show that the model falls within the acceptable fit category. This interpretation implies that the model structure successfully fits the empirical data adequately, thus the representation of the relationships

between variables constructed within the analytical framework can be considered valid and accurate.

4. Conclusion

Based on the research findings that have been analyzed, the main conclusions that can be formulated are as follows: 1. The research results show that competency significantly contributes to improving the work motivation of Bank Indonesia Jakarta employees. Adequate competency enables employees to be better prepared to face job demands and emerging obstacles, thereby increasing their internal drive to carry out their duties. 2. Motivation has been proven to play a crucial role in shaping employee performance. When motivation levels are high, employees tend to work with greater consistency, focus, and intensity, which in turn results in more optimal work outcomes. 3. Competence also directly impacts performance. Employees with skills aligned with job requirements are able to complete their responsibilities more effectively and efficiently, thus positively impacting organizational performance. 4. Further analysis confirmed that motivation acts as a mediating variable in the relationship between competence and performance. This means that strong competence will have a greater impact on performance when accompanied by strong motivation, as motivation allows for optimal utilization of competence.

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