



THE IMPORTANCE OF COMPETENCE AND CAREER DEVELOPMENT TOWARDS EMPLOYEE PERFORMANCE IN MEDIATION OF MOTIVATION VARIABLES IN BI MONEY MANAGEMENT WORK UNITS (SATKER) IN JAVA ISLAND

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Abstract: Basically, this study aims to examine and analyze the importance of competence and career development on employee performance by using the motivation variable as a mediating variable in the BI Money Management work unit in Java. By using a quantitative research design with an *explanatory survey method*, namely data collection using a questionnaire with a Likert scale model. The sample collection of organic employee respondent data is 300 respondents. *Structural Equation Modeling (SEM) PLS Version 3.2.9* is used as a tool to process data. In this study using four variables, fourteen dimensions and thirty-six indicators. From the results of this study it can be concluded that all variables have a significant effect on employee performance, namely: 1) Competence on employee performance, 2) Career development on employee performance, 3) Motivation on employee performance, 4) Competence on motivation, 5) Career development on motivation, 6) Motivation mediates the effect of competence on employee performance, 7) Motivation mediates the effect of career development on employee performance.

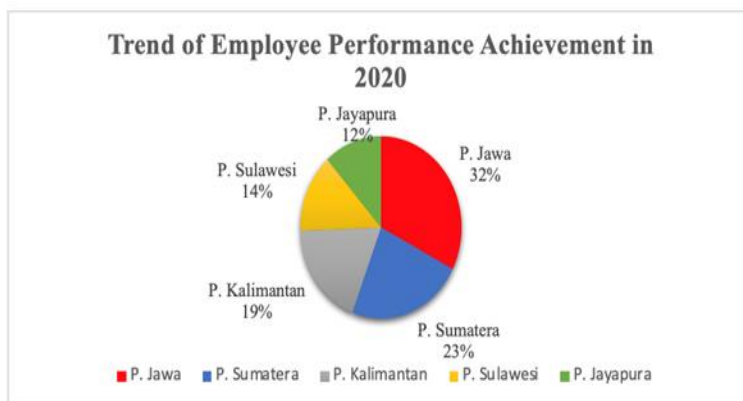
Keywords : Bank Indonesia, Java Island, and Employee Performance

INTRODUCTION

The role of the Central Bank in Indonesia was taken over by BI, and has been regulated in Law no. 3 of 2004 concerning the provisions, roles, and duties of BI as one of the independent institutions in Indonesia which in carrying out its duties there is no interference from the government or other parties. BI's main task is not only to maintain monetary stability, but also to maintain financial system stability (banking and payment systems). BI requires human resources who are skilled, disciplined, diligent, willing to work hard, and have high integrity.

BI has spread throughout Indonesia, including the 5 largest islands, namely Java Island, Sumatra Island, Kalimantan Island, Sulawesi Island and Papua. it can be seen from the pie chart that each area of the work unit (satker), and has a different work achievement target in each satker. From the diagram, it can be concluded that Java Island has the highest

population level and *inflow/outflow productivity*, which is 32% compared to the other 4 islands.



Source: Data processed by Researchers (2021)

Figure 1. Trends in Employee Performance Achievement in the 5 largest islands in Indonesia in 2020

Based on the data above, the researcher chose the Java Island area where there are at least 12 BI representative office work units (KPw) on the island of Java, namely: DPU (Jakarta), KPwBI Serang Banten, KPwBI Bandung, KPwBI Cirebon, KPwBI Tasikmalaya, KPwBI Yogyakarta, KPwBI Semarang, KPwBI Solo, KPwBI Malang, KPwBI Surabaya, KPwBI Jember, KPwBI Tegal for further research. Furthermore, the researchers conducted a pre-survey to each (4 to 5 organic employees) who were in each BI money management satker with a total number of respondents obtained reaching 50 people. It can be seen from the pre-survey table below that the 3 (three) highest variables that dominantly affect employee performance are Competence (30% - 50%), Career Development (34% - 78%), and Motivation (36% - 80%). Based on the data obtained, it can be concluded that the three variables are thought to have a strong enough influence on employee performance.

Table 1. Table of Pre Survey Results of Competence, Career Development and Motivation

Variable	Statement/Question	Yes	Not
Competence	I feel that I lack competence related to the tasks assigned to me	20 (40%)	30 (60%)
	The knowledge I have is sufficient to complete the task on time	18 (45%)	32 (55%)
	I am able to compete positively with other colleagues in the work environment	15 (30%)	35 (70%)
Development Career	I feel that I need training to support future career development	35 (70%)	15 (30%)
	With a clear career development, I am optimistic that I can do a better and more focused job.	39 (78%)	11 (22%)
	I am quite satisfied with the training and career development provided to support my future career	15 (30%)	35 (70%)
Motivation	Does the motivation you get/given affect the performance of your employees?	40 (80%)	10 (20%)
	Can you get on target?	18 (36%)	32 (64%)

	Do you feel happy if your work gets a <i>reward</i> from the leadership element?	30 (60%)	20 (40%)
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Source: Data processed by Researchers (2021)

LITERATURE REVIEW

Competence

Competence is a skill / advantage of an individual who has good skills, knowledge, and behavior (Scale in Sutrisno, 2017). Meanwhile, based on the theory (Edison, 2016), researchers synthesize competencies as superior or basic skills possessed by each individual to carry out their work or activities based on their knowledge, expertise in the field of work, and attitudes that reflect an individual.

1) Knowledge (*Knowledge*)

Have knowledge gained from formal learning and or from special training related to the scope of work he is undergoing.

2) Skills (*Skills*)

Expertise in the field of work and able to handle it effectively. However, in addition, each individual must be able to practice the *ability* to solve every problem in solving a problem quickly and carefully.

3) Attitude

Integrity is upheld and ethics in organizations / agencies that have a positive attitude in acting. This is something that is very important for the organization, which indirectly has an effect on the company/organization.

Career development

Career *development* (Mondy , 2018) includes an activity to prepare an individual for an increased career path that has been planned. Broadly speaking, career development can be interpreted as a process / staffing activity that is applied in an organization in order to change the status of the position / rank, position, and can help employees / individuals plan future careers at the place where they work.

1) Work performance

Contribution and work achievement in daily work activities in the work environment.

2) Loyalty to the organization (*Loyalty*)

In this case, an employee has done his best and is able to last a long time and be loyal in the organization.

3) Support from leadership (Promotion)

In this case the leadership has an important role in the career development of each employee, because indirectly the leadership has monitored (*capture*) each individual in the organization/company .

Motivation

According to (Robin & Judge, 2015), the theory of motivation known as the *Three Need Theory* which says that motivation is a support for a series of processes, attitudes and individual behavior in achieving a certain goal/direction :

1) Desire for achievement (*Need for Achievement*)

A person's desire to do something better in a new and creative way than before which is more pursuit of achievement than other rewards.

2) Desire for power (*Need for Power*)

Likes work as a leader, is more active in determining the direction of activities of an organization that has an influence on others.

3) The desire for affiliation (*Need for Affiliation*)

Expectations to be respected, establish friendships with others, and prefer to work together to create a conducive and cooperative work atmosphere rather than compete and always avoid conflict.

Performance

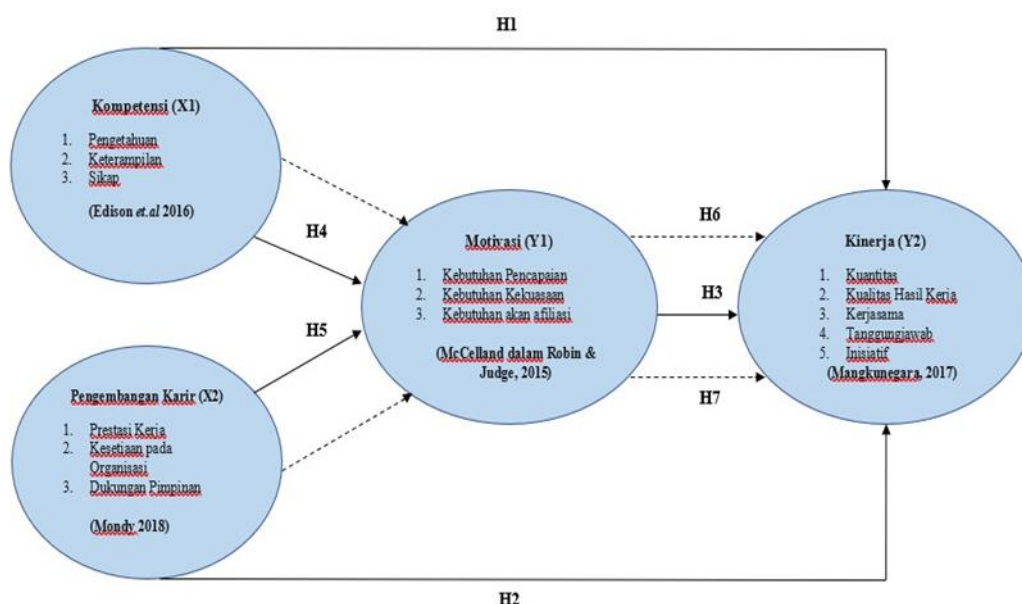
performance (Mangkunegara, 2017) is the result of the achievement of work in quality and quantity achieved by an employee in carrying out the tasks that are carried out seriously and with full responsibility. And there are five dimensions in measuring employee performance with the following indicators: Working Quantity; Quality of work; Cooperation; Have responsibility at work; Initiative

Previous research

Based on previous research, basically it functions as an infrastructure to support research activities. From the results of journal research (Saluy, AB and Wibowo, 2018) related to the title *The Influence of Motivation and Competency to Performance of Civil Servants and the Effect of Working Satisfaction in the Directorate Environment of TNI Laws* , it is stated that, all variables have a positive and significant effect, but only competence has no significant effect on employee performance.

Framework

In the theoretical framework model based on the results of previous research studies, the researcher develops a framework of thought:



Source: Data processed by researchers (2021)
Figure 2. Thinking Framework Diagram

Hypothesis

Based on the framework diagram above, a research hypothesis can be developed, namely:

- H1** : Competence has a positive and significant influence on employee performance
- H2** : Career Development has a positive and significant impact on employee performance
- H3** : Motivation has a positive and significant effect on employee performance
- H4** : Competence has a positive and significant effect on motivation
- H5** : Career Development has a positive and significant influence on motivation

H6 : Motivation mediates the positive and significant influence of Competence on employee performance

H7 : Motivation mediates the positive and significant effect of Career Development on employee performance

RESEARCH METHODS

The research design uses causal research which aims to analyze the causal relationship between the *independent variable and the dependent variable* . This method uses an expansion survey method (*Explanatory Survey*), which uses a questionnaire with a *Likert scale model* in data collection.

Population and Sample

The sample used / taken based on the calculation of the slovin formula in this study were 300 respondents from 1,022 organic / permanent employees.

Data collection technique

Data collection uses a *Likert scale format (Ordinal)* with the lowest score of 1 (one) and the highest score of 5 (five) with the help of the *Google-Form* platform in its distribution.

Data analysis method

With the help of *Software SmartPLS* version 3.2.9 as a data analysis method. the purpose of PLS-SEM (Ghozali and Latan, 2012) is to develop and build a theory from a predictive orientation, as well as to explain whether there is a relationship between latent variables. PLS is also a *powerful* analytical method because it can assume data with a certain scale measurement.

FINDINGS AND DISCUSSION

Descriptive statistics

Based on the results of the questionnaire that has been given, the average value for the competency variable is 4.63 with a minimum value of 4.60 and a maximum of 4.71. From these data it can be seen that the interpretation of the interval indicates the category agrees. career development variable has an average *value of 4.46, a minimum value of 4.35 and a maximum of 4.54, with the interpretation in the interval included in the agree category.* Furthermore, the motivation variable with an average *value of 4.61, the lowest value of 4.46 and the highest value of 4.71.* Therefore, if it is interpreted, it is included in the category of agree. The latter on the Performance variable shows an average value of 4.65, with the lowest value of 4.56 and the highest value of 4.72. It can be concluded that if interpreted the interval is included in the category of agree.

Measurement Model Test Results

To make it easier to analyze and see the results of measurements and tests between latent variables, using the application tool / *software SmartLS 3.2.9.*

Measurement Model Test Results (*Outer Model*)

An indicator that has high validity results if it has a *loading factor* must be with 0.70 then the hypothesis can be accepted / valid, but when the *loading factor value* is < 0.70 then the value must be removed from the model (Ghozali, 2015). Furthermore, in a good *Convergent Validity test* , the AVE (*Average Variance Extracted*) value must at least show a value > 0.5 . The following table shows the results of the AVE measurements for each of the

tested variables, each of which the overall variable has shown a value > 0.5 , which means that the AVE value has met the testing requirements of *Convergent Validity* :

Table 2. AVE value for each variable

Variable	AVE (<i>Average Variance Extracted</i>) Value
Competence (X1)	0.575
Career Development (X2)	0.660
Motivation (Y1)	0.652
Employee performance (Y2)	0.639

Source : Data processed by Researchers (2022)

Structural Test (*Inner Model*)

Basically, the R-Square value shows the greater the value of the *independent* variable , the better the structural equation will be (Ghozali, 2014) . Described in the table below shows that the motivational construct is explained by the variability of employee motivation of 67.3 % while the rest is influenced by other variables. While the variability of employee performance shows a number of 77.7 % while the rest is influenced by other variables outside the model under study.

Table 3. R² value of the research model

Variable	R ²
Motivation (Y1)	0.673
Employee performance (Y2)	0.777

Source: Data processed by researchers (2022)

Hypothesis testing

Based on the results of data processing that has been done, it can be proven by looking at the T - *Statistic* and P- *Value values*. With the conclusion that if the value of **t** count $>$ **t table** or **P** count $<$ 0.05 then the hypothesis can be said to be accepted (*valid*) and vice versa, if $>$ 0.05 then the hypothesis can be said to be rejected. As the basic value for making the decision, the hypothesis is accepted, the **t value** used is **t table** of (df = nk = 162 – 4) alpha 0.05 = 1.975.

- 1) H1 obtained t - *statistics* 2.485 $>$ t table 1.975 with a p- *value* of 0.013 $<$ 0.05 with a *Path Coefficient* of 0.122. it can be concluded that competence has a positive and significant effect on employee performance.
- 2) H2 obtained t - *statistics* 4.349 $>$ t table 1.975 with a p- *value* of 0.000 $<$ 0.05 with a *Path Coefficient* of 0.284. it can be concluded that competence has a positive and significant effect on motivation.
- 3) H3 obtained t - *statistics* 10.175 $>$ t table 1.975 with a p- *value* of 0.000 $<$ 0.05 with a *Path Coefficient* of 0.617. it can be concluded that motivation has a positive and significant influence on employee performance.
- 4) H4 obtained t - *statistics* 3.206 $>$ t table 1.975 with a p- *value* of 0.001 $<$ 0.05 with a *Path Coefficient* of 0.202. it can be concluded that Career Development has a positive and significant influence on employee performance.
- 5) H5 obtained t - *statistics* 9.390 $>$ t-table 1.975 with a p- *value* of 0.000 $<$ 0.05 with a *Path Coefficient* of 0.590. it can be concluded that Career Development has a positive and significant influence on motivation.
- 6) H6 obtained T - *Statistics* 4.193 $>$ t table 1.975 with a p- *value* of 0.000 $<$ 0.05, with a *Path Coefficient* of 0.175. it can be concluded that there is a positive and significant influence of the competence variable on employee performance through the motivation variable.

7) H7 obtained T - *Statistics* 6.339 > t table 1.975 with a p- value of 0.000 <0.05, with a *Path Coefficient* of 0.364. it can be concluded that there is a positive and significant influence of the Career Development variable on Employee Performance through the Motivation variable.

Table 4. Effect of Test Results between Variables

Hypothesis	Influence	Path Coefficient	T- Statistics	P- Values	Results
H1	Competence -> Employee performance	0.122	2,485	0.013	Received
H2	Competence -> Motivation	0.284	4,349	0.000	Received
H3	Motivation -> Employee performance	0.617	10,175	0.000	Received
H4	Career Development -> Employee Performance	0.202	3,206	0.001	Received
H5	Career Development -> Motivation	0.590	9,390	0.000	Received

Source: Data processed by researchers (2022)

Table 5. Total Score Result Specific Indirect Effect

Hypothesis	Influence	Original Sample (O)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
H6	Competence (X1) -> Motivation (Y1) -> Employee Performance (Y2)	0.175	0.042	4,193	0.000
H7	Career Development (X2) -> Motivation (Y1) -> Employee Performance (Y2)	0.364	0.057	6,339	0.000

Source: Data processed by researchers (2022)

CONCLUSION

From the results of the research hypothesis testing and the previous discussion, some conclusions can be drawn as follows:

Competence in the BI Money Management Satker in the Java Island region has a positive and significant effect on employee performance, which means that to improve employee performance, a company must also pay attention to its employees in improving competence in each of their respective regional Satkers.

Career Development at the BI Money Management Working Unit in the Java Island region has a positive and significant impact on employee performance, in other words, every company/institution must really pay attention to the careers of each employee by providing opportunities to develop their skills and knowledge. This can be seen in the implementation of *Inhouse Training* (IHT) as well as training held outside the BI office which is carried out regularly every year.

Motivation in the BI Money Management Satker in the Java Island region has a significant influence on employee performance. Implementation of motivation on employee performance at the BI Money Management Satker in Java is generally shown through moral support from the leadership element to employees by providing opportunities for achieving targets by developing creativity so that they have more enthusiasm in achieving employee performance.

Competence in the BI Money Management Satker in the Java Island region has a significant influence on employee motivation. This is in line with BI's implementation for every employee, where the company provides opportunities for employees to improve their competence.

Career Development in the BI Money Management Working Unit in Java Island has an influence on Employee Motivation . This is in line with its implementation in the BI Money Management Satker in particular, where every employee is given the opportunity to develop their careers by providing opportunities for their employees by providing Inhouse Training (IHT) as well as out-of-office training.

Motivation mediates between Competence and Employee Performance at the BI Money Management Satker in the Java Island region. The implementation that occurs in the BI Money Management Working Unit environment in Java, in particular, is that every employee has the ability and improves his competence with the support of the leadership element, so that employees can make the best contribution in accordance with the achievement of targets given to each individual.

The motivation to mediate between Career Development and Employee Performance at the BI Money Management Satker in the Java Island region. This is also in line with what the BI leadership has applied to its employees by providing opportunities to develop their careers, by providing training and appreciation (*rewards*) for employees who have achievements, so that employees can be more motivated to be able to contribute more. good again to the institution for the future.

Research Limitations

- 1) The object of research is only limited to the BI Money Management Satker in the Java Island area when viewed from the perspective of employee performance.
- 2) In collecting questionnaire data, the data becomes biased when the respondent cannot show the real answer, this is because each person/individual has a different perception/understanding and honesty response in filling out the questionnaire.

Suggestion

For Institutions/Institutions

In principle, it is hoped that each individual will always be pro-active in the activities held by the Institute, which is expected for the leadership element to continue to motivate every employee in improving competence and career development to a better level. because in principle this can strengthen the relationship between leaders and subordinates, so that the atmosphere in the work environment will feel more effective and have a sense of enthusiasm and have a sense of caring for others in the work environment.

For further research

It is recommended to add a variety of variables that are different from the others so that they can provide different gap phenomena related to employee performance, so that the resulting data will be more effective, accurate and the research objectives can be met.

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