

DOI: <https://doi.org/10.31933/dijms.v3i3>

Received: 11 November 2021, Revised: 13 December 2021, Publish: 5 January 2022



THE EFFECT OF COMPETENCE AND DISCIPLINE ON EMPLOYEE PERFORMANCE MEDIATION OF MOTIVATION VARIABLES IN MONEY MANAGEMENT DEPARTMENT CENTRAL BANK OF INDONESIA

Wahidun Pakpahan¹, Irfan Noviandy Aulia²

¹) Mercu Buana University, Jakarta, Indonesia, dunpakpahan@yahoo.com

²) Mercu Buana University, Jakarta, Indonesia, irfan.noviandy@mercubuana.ac.id

Corresponding Author: First Author

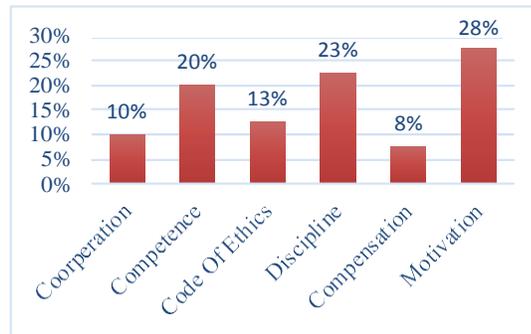
Abstract: The purpose of this study was to examine and analyze the effect of Competence, Discipline on Performance mediated by the Motivation variable at the Money Management Department of Bank Indonesia. Using a questionnaire as data collection with permanent employee respondents as many as 162 people. Data analysis used descriptive statistics with Structural Equation Modeling (SEM) PLS Smart PLS Version 3.2.9. In this study using four variables, twelve dimensions, and thirty-three indicators. The results of the study state that: 1) Competence has a significant effect on Performance, 2) Discipline has a significant effect on Performance, 3) Motivation has a significant effect on Performance, 4) Competence has no significant effect on Motivation, 5) Discipline has a significant effect on Motivation, 6) Motivation does not mediate the effect of competence on employee performance, 7) motivation mediates the effect of discipline on employee performance.

Keywords: Competencies, Discipline, Motivation and Employee Performance.

INTRODUCTION

Bank Indonesia is an independent institution which in carrying out its duties there is no interference from the government or other parties. In its capacity as the Central Bank, Bank Indonesia has one single goal, namely to achieve and maintain stability in the value of the rupiah in Indonesia. Economic developments and changes as well as technological disruptions have also influenced the development of Human Resources at Bank Indonesia, particularly in the Money Management Department. Bank Indonesia's Human Resources is the most important element in the institution that is invaluable in its use. To achieve common goals, the institution requires an appropriate and highly competitive management in managing its Human Resources which affects employee performance.

Based on the results of interviews related to employee performance with the Head of the Bank Indonesia Department of Money Management Team, to increase the institution's target, employee performance should ideally be at an above average level. Meanwhile, when viewed from the cognitive aspect of employees, specifically, the conceptual and individual abilities of each employee are still uneven, there are still many gaps in the ability to think conceptually and the ability to analyze challenges and obstacles in achieving work targets. From the results of interviews there are allegations that affect employee performance as shown below :



Source: Data processed by researchers

Figure 1. Variables Affecting Employee Performance in the Money Management Department

It can be seen from the picture above that the variables that affect the performance of Bank Indonesia Money Management Department employees are Work Motivation of 28% which is inversely proportional to Compensation of 8%, then Discipline is 23% which shows a difference of 10% from the Code of Ethics which results in 13%. Competence is obtained by 20% and teamwork is only 10%. Three variables that show a high percentage compared to other variables are; Work Motivation (28%), Discipline (23%) and Competence (20%). To find out how big the impact of these variables is, the researcher strengthens the results of the interview by conducting a pre-survey to 40 permanent employees regarding several alleged factors that affect the performance of the Bank Indonesia Money Management Department employees, which can be seen from the table below:

Table 1. Table of Pre-Survey Results of Competence, Discipline and Motivation

Variable	No	Question	Yes	Not
Competence	1	I feel that I lack competence related to the tasks assigned to me	20 50%	20 50%
	2	The knowledge I have is sufficient to complete the task on time	18 45%	22 55%
	3	I am always ready to help other employees who need help..	15 37.5%	25 62.5%
Discipline	1	I come at the office every working hours	17 42.5%	23 57.5%
	2	Attendance is very important in enforcing work discipline	20 50%	20 50%

Motivation	3 ID Card is always worn during working hours	20	20
		50%	50%
	1 Does your motivation at work affect your performance?	18	22
		45%	55%
	2 Did you get the results on target?	16	24
		40%	60%
	3 Do you feel happy if your work gets appreciation from the leadership?	17	23
		42.5%	57.5%

Source: Data processed by researchers

Based on the table above shows that these three variables have not been fully achieved, it is suspected that these variables have a strong impact and influence on performance.

LITERATURE REVIEW

Competence

Competence is an individual's ability to carry out a job correctly and has advantages based on matters relating to knowledge, Skills, and Attitudes (Edison, 2016).

1. Knowledge

Have knowledge gained from formal learning and or from training and courses related to the field of work they handle.

2. Skill

Has expertise in the field of work he handles and is able to handle it in detail. However, besides being an expert, he has the *ability to* solve problems and get things done quickly and efficiently.

3. Attitude

Uphold organizational ethics and have a positive attitude in action. This attitude can not be separated from one's duty in carrying out the right work and this attitude is an important element for service business /services and even has an influence on the company/ organization.

Discipline

Discipline is a strength that is growing within the body of employees and cause employees can adjust themselves voluntarily to decisions, rules, and values of height of work and behavior (Lateiner in Sutrisno, 2016). In a narrow sense , it is usually associated with punishment. In fact, punishing an employee is only part of the discipline problem . In a narrow sense , it is usually associated with punishment. In fact, punishing an employee is only part of the discipline problem . With the following dimensions:

1. Obey the rules of time

Judging from the rules for entry and exit of daily office work activities that have been established and apply within an organization.

2. Comply with company regulations

Basic rules regarding SOPs that apply in an organization both in dress and behavior at work.

3. Obey the rules of conduct at work

Carry out work according to the *Job Desk* that has been determined, in accordance with the position, duties, and responsibilities related to the work unit.

Motivation

Motivation is a process that explains the strength, direction and persistence someone to reach a goal (Mc.Celland in Robbins and Judge, 2015). Strength describe how hard someone to conduct a business in itself. With dimensions that say that there are three human needs, namely:

1. Achievement Needs

The desire to do something better than before, more pursuit of achievement than the reward for success.

2. The Need for Power

The need to be stronger, to have more influence on others, to be happy with one's job as a leader and to be able to influence others.

3. Affiliate Needs

The need to be liked, develop, or maintain friendships with others, enjoy being in cooperative, competitive situations and desire a high degree of relationship

Performance

Performance is the output produced by the functions or indicators of a job or a profession within a certain time (Wirawan in Yanto, 2015). With dimensions divided into 3 namely:

1. Work result

The results obtained by employees in carrying out their duties and obligations are in the form of goods or services which are measured in quantity and quality.

2. Work Behavior

Behavior related to work, behavior required in an organization, commitment to tasks, initiatives, ideas or actions taken.

3. Personal Traits

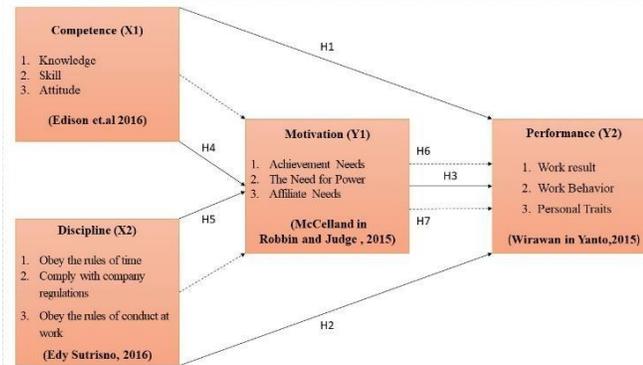
Innate traits that are acquired from birth that are strengthened by the experience gained from their development in the community.

Previous Research

Based on previous research, all research hypotheses were declared accepted from the impact of employee motivation and discipline on work productivity at BAPEDA Sulbar (Basalamah.A and Wati.F, 2020). Then the competency research on the performance of the independent election commission in Aceh, states that competence has a positive and significant influence on employee performance (Salwa Arfah, 2018). In research on competence, compensation and motivation on the performance of the Banyuasin KPU, all variables have a positive and significant effect (Syah.B, Mamisah.L and Zamzam.F, 2021).

Framework

The framework model is based on theoretical studies and previous research, the researchers develop a theoretical framework that is shown in the thinking model as follows :



Source: Data processed by researchers Figure 1. Framework

Hypothesis

Based on the framework described above which strengthens the hypothesis of the researcher, the hypothesis of this research is as follows:

- H1: Competence has a significant effect on employee performance
 H2: Discipline has a significant effect on employee performance
 H3: Motivation has a significant effect on employee performance
 H4: Competence has a significant effect on motivation
 H5: Discipline has a significant effect on motivation
 H6: Motivation mediates the effect of competence on employee performance
 H7: Motivation mediates the effect of discipline on employee performance

RESEARCH METHODS

This study uses an explanatory survey, data collection techniques using a questionnaire or a questionnaire with a Likert scale model. Hypothesis analysis was tested through statistical analysis techniques between hypothesized variables.

Population and Sample

The population taken in this study were 162 respondents from 272 permanent employees, the number of samples using the slovin formula.

Data collection technique

By using a questionnaire, by setting the ordinal scale as the measurement scale. The ordinal scale is used to measure the attitudes, opinions and perceptions of a person or group about social events or phenomena (Sugiyono, 2017).

Data analysis method

Using statistical tools with the help of SmartPLS software version 3.2.9. The purpose of PLS- SEM is to develop theory and build theory from a predictive orientation, explaining whether there is a relationship between latent variables. PLS is also a powerful analytical method because it assumes current data with a certain scale measurement (Ghozali and Latan, 2017).

FINDINGS AND DISCUSSION

Descriptive statistics

In the competency variable, based on the results of the questionnaire from the distribution that has been given, the average value of the variable is 4.20 with a minimum value of 4.23 and a maximum of 4.35. From this data, it can be seen that the interval interpretation shows that it is in the agree category. The Discipline variable has an average value of 4.64 with a minimum value of 4.56 and a maximum of 4.69 which if interpreted in the interval falls into the agree category. The motivation variable with a minimum value of 3.99 and a maximum value of 4.28 and an average variable of 4.15 if interpreted in the interval interpretation is categorized as agree. The last one on the Performance variable shows a minimum value of 4.83 and a maximum of 4.86 with an average of 4.84 if the interval is interpreted it will fall into the agree category.

Measurement Model Test Results

To make it easier to see the measurement between variables, SmartPLS version 3.2.9 is used to make it easier to test each variable.

Measurement Test (Outer Model)

The indicator has high validity if it has a loading factor of 0.70 (Ghozali, 2017). Competence, Discipline, Motivation and Performance variables for each indicator (dimensions and variables). It has a value of 0.70 which indicates that every indicator on the processed dimensions and variables has been valid and is still being used in the model. In showing a good *Convergent Validity* value, the minimum value of AVE (*Average Variance Extracted*) shows the number 0.5. Below will show the results of the AVE (*Average Variance Extracted*) measurement of each tested variable:

Table 2. AVE value of each variable

Variable	AVE (Average Variance Extracted) Value
Competence (X1)	0.589
Discipline (X2)	0.653
Motivation (Y1)	0.598
Performance (Y2)	0.575

Source: Data processed by researchers

Based on the results of the data processing above, it can be seen that the AVE (Average Variance Extracted) value of each variable tested shows a value of > 0.5 which means that the value of AVE (Average Variance Extracted) has met the test of Convergent Validity.

Structural Test (Inner Model)

Table 3. R Square

Construct	R Square
Motivation (Y1)	0.186
Performance (Y2)	0.669

Source: Data processed by researchers

The variability of the construct of motivation explained by the variability of employee motivation is 18.6% while the rest is influenced by other variables. employee performance variability of 69.9% while the rest is influenced by other variables outside the model studied. The larger the number studied, the better the dependent variable so that the better the structural equation.

Hypothesis Test

To answer the hypothesis and see the significant effect of Competence, Discipline on employee performance mediated by motivation, namely by looking at T-Statistics and P-Value values. With the decision that if the amount of **t** count $>$ **t** table or **P** count $<$ 0.05, then the hypothesis is accepted and vice versa if $>$ of 0.05 then the hypothesis is rejected. As for the table values used, the T-Table (df = nk = 162 - 4) alpha 0.05 = 1.975.

Table 4. Results of the Effect of Independent Variables on Dependent Variables

Hypothesis	Influence	Path Coefficient	T count (T Statistics) $>$ t table	P count (P Values)
H1	Competence (X1) -> Performance (Y2)	0.203	2.323 $>$ 1.975	0.021
H2	Discipline (X2) -> Performance (Y2)	0.444	5.609 $>$ 1.975	0.000
H3	Motivation (Y1) -> Performance (Y2)	0.418	7.835 $>$ 1.975	0.000
H4	Competence (X1) -> Motivation (Y1)	0.135	1.662 $<$ 1.975	0.097
H5	Discipline (X2) -> Motivation (Y1)	0.368	4.160 $>$ 1.975	0.000

Source: Data processed by researchers

Table 5. Indirect Effect Value

	Original Sample (O)	T Statistics (O/STDEV)	P Values
Competence (X1) -> Motivation (Y1) -> Performance (Y2)	0.056	1,613	0.107
Discipline (X2)-> Motivation (Y1) -> Performance (Y2)	0.154	4.209	0.000

Source: Data processed by researchers

- H1 obtained t statistic **2,323** > t table 1,975 P-Value value **0,021** < 0,05 then Competence has an effect on performance. The path coefficient value is 0.203, which means that competence has a significant positive effect on performance.
- H2 obtained t statistic **5,609** > t table 1,975 P-Value value **0.000** < 0.05 then discipline has an effect on performance. The path value is 0.444, which means that the discipline variable has a positive effect on.
- H3 obtained t statistic **7,835** > t table 1,975 P-Value value **0,000** < 0,05 then motivation has an effect on performance. The path coefficient value is 0.418, which means that motivation has a significant effect on performance.
- H4 obtained t statistic **1.662** < t table 1.975 P-Value value **0.097** > 0.05 then competence has no effect on motivation.
- H5 obtained t statistic **4.160** > t table 1.975 P-Value value **0.000** < 0.05 then discipline has an effect on motivation. The path coefficient value is 0.368, which means that discipline has a significant effect on motivation.
- H6 obtained t statistic **1.613** < t table 1.975 P value **0.107** > 0.05 then there is no significant effect of the competence variable on performance through motivation.
- H7 obtained t statistic **4,209** > t table that is 1,975 P value **0.000** < 0.05 then there is a significant influence of the discipline variable on performance through motivation. The path coefficient value is 0.154, which means that the discipline variable has a positive effect on employee performance variables through motivation

CONCLUSION

Conclusion

- Competence has a significant positive effect on performance, which is supported by research by Salwa Arfah (2018) which examines competence on the performance of an independent election commission in Aceh, which states that competence has a positive and significant effect on employee performance.
- Discipline has a significant positive effect on performance, supported by research by Reza Nurul Ichsan (2020) which examines the effect of discipline on the performance of Civil Servants in Ajendam – Medan.

3. Motivation has a significant effect on performance, in line with research conducted by Lily Setyawati Kristen (2021) who applied the influence of motivation on performance at the Purwakarta tourism office.
4. Competence has no significant effect on motivation in line with research by Ignatius Ario Sumbogo (2017) regarding the effect of competence on motivation at PT SWC.
5. Discipline has a significant effect on motivation, supported by Fitriya Sari's research (2020) that discipline and motivation together have a significant effect.
6. Motivation does not mediate competence on performance, in line with Ema Nurhayati (2017) in East Semarang sub-district proving that motivation does not mediate competence on performance.
7. Motivation mediates discipline on performance, Arifa and Muhsin (2018) the influence of discipline on performance which is influenced by motivation has a positive and significant influence between disciplines on performance.

Research Limitations

1. The object of research is only the Department of Money Management, because Bank Indonesia has many departments in terms of performance.
2. The number of respondents is only 162 people, it is still lacking if you still want to describe the real situation.
3. In collecting questionnaire data, it becomes biased when the respondent does not show the actual answer, this happens because everyone has their own perception, the understanding and assumptions of each respondent are different, as well as the honesty factor in filling out the questionnaire.

Suggestion

For institutions

Always improve competence and discipline towards performance by fostering a sense of responsibility and professionalism in the work environment of the Bank Indonesia Money Management Department. Although competence does not affect motivation and does not mediate competence on performance within the Money Management Department of Bank Indonesia, the aspect of motivation must still be improved, it is recommended to continue to motivate every employee even though the employee already has good competence. Because motivation is able to have a positive impact on every aspect of work both between leaders and subordinates, leaders and leaders, as well as subordinates and subordinates.

For further research

It is recommended to add different variables to the work environment of the Money Management Department to provide different phenomena related to performance, such as

compensation, talent management, work culture, technology, and work environment so as to provide wider information on the effects on different variables. Adding more concrete data collection methods not only questionnaires and interviews but can be in the form of observation in order to get better results.

BIBLIOGRAPHY

- Arifa, SN, & Muhsin, M. 2018. *The Effect of Work Discipline, Leadership and Work Environment on Performance Through Work Motivation* . Economic Education Analysis Journal, 7(1), 374-389.
- Basalamah, A., & Wati, F. 2020. *The Impact of Employee Motivation and Discipline on Employee Work Productivity at the Bappeda of West Sulawesi Province* . Paradox : Journal of Economics, 3(1), 71 - 77.
- Edison. 2016. *Human Resource Management* . Bandung: Alfabeta. . Bandung: Alfabeta. Hengky Latan, and Imam Ghozali. 2017. *Partial Least Squares: Concepts, Methods, and Applications Using the WarpPLS.5.0 Program*. Third Edition. Semarang : Diponegoro University Publishing Agency.
- Ichsan, RN, Surianta, E. And Nasution, L., 2020. *The Effect of Work Discipline on the Performance of Civil Servants (Pns) in the Adjutant General of the Military Region (Ajendam)-I Bukitbarisan Medan* . Darma Agung Journal, 28(2), Pp.187-210.
- Kristianti, LS, Affandi, A., Nurjaya, N., Sunarsi, D. and Rozi, A., 2021. *The Effect of Motivation and Work Discipline on Employee Performance at the Purwakarta Tourism Office* . PERCUSI Scientific Journal, 1(1), pp. 101-109.
- Nurhayati, E., 2017. *The Effect of Application of the E-Performance and Competency Assessment System on Employee Performance in East Semarang District through Motivation as an Intervening Variable*. Journal of Economics and Business Research, 2(2), pp.79-91.
- Robbins, SP and Judge TA 2015. *Organizational Behavior* . Jakarta: Salemba Empat.
- Salwa, A., Away, Y. and Tabrani, M., 2018. *The Effect of Commitment, Integrity and Competence on Employee Performance and Their Impact on the Performance of the Aceh Independent Election Commission (KIP)* . Journal of Masters in Management, 2(1), pp.58-67.
- Sari, F., 2020. *The Effect of Employee Discipline and Work Motivation on Employee Performance at Poltekes Bhakti Pertiwi Husada Cirebon, West Java*. Scientific Journal of Mandalika (Jsm)E-Issn 2745-5955, 1(December 5), Pp.428-438.
- Sugiyono. 2017. *Quantitative, Qualitative, and R&D Research Methods* . Bandung : Alfabeta, CV.
- Sumbogo, IA, & Diposumarto, NS 2017. *The Effect of Competence and Training on Reporter Performance, With Motivation as a Mediation Variable at PT SWC* . Journal of

Management and Business Research (JRMB) Faculty of Economics UNIAT, 2(3), 331-340.

Sutrisno, E. 2016. *Resource Management Human* . Jakarta: Kencana Prenadamedia Group. Wirawan. 2015. *Evaluation of Human Resource Performance: Theory, Application and Research* .

Jakarta: Salemba Empat.