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The Effect of Organizational Climate and Competence on Employee Performance Through Work Motivation at PT. Jambi Regional Development Bank Sutomo Branch

Afrida Tria Ningsih¹, M. Zahari², Osrita Hapsara³

¹Universitas Batanghari, Jambi, Indonesia, afriatrianingsih13@gmail.com

²Universitas Batanghari, Jambi, Indonesia, m.zaharims@gmail.com

³Universitas Batanghari, Jambi, Indonesia, osritahapsara@yahoo.co.id

Corresponding Author: m.zaharims@gmail.com²

Abstract: This study aims to analyze the influence of organizational climate and competence on employee performance through work motivation at PT. Bank Pembangunan Daerah Jambi, Sutomo Branch. The study used a quantitative approach with an explanatory research design. The study population was all 55 employees of PT. Bank Pembangunan Daerah Jambi, Sutomo Branch. Given the relatively small population, this study used a census sampling technique, thus all members of the population were included in the study sample. Primary data were collected through questionnaires using a five-point Likert scale. Data analysis was conducted using the Structural Equation Modeling–Partial Least Squares (SEM-PLS) approach using SmartPLS software. The analysis included testing the outer model, inner model, coefficient of determination (R^2), predictive relevance (Q^2), effect size (f^2), hypothesis testing, and analysis of direct and indirect effects through bootstrapping. The results showed that organizational climate had a positive and significant effect on employee work motivation and performance. Competence also had a positive and significant effect on both employee motivation and performance. Furthermore, work motivation was shown to have a positive and significant effect on employee performance. The results of the mediation test indicate that work motivation positively mediates the influence of organizational climate on employee performance and the influence of competence on employee performance. This finding indicates that improving the quality of the organizational climate and employee competence will be more effective in improving performance if accompanied by increased work motivation. The implications of this research suggest that the management of PT. Bank Pembangunan Daerah Jambi Sutomo Branch needs to continue creating a conducive organizational climate, improving competence through ongoing education and training programs, and developing policies that can enhance employee work motivation as an effort to sustainably improve organizational performance.

Keyword: Organizational Climate, Competence, Work Motivation, Employee Performance, Regional Development Bank.

INTRODUCTION

The development of the banking industry in Indonesia in recent years has demonstrated increasingly competitive dynamics as a result of digital transformation, changes in customer behavior, increased regulations, and demands for higher service quality. These conditions require every banking institution to increase its competitiveness through quality human resource management. An organization's competitive advantage is no longer solely determined by the size of its assets or technological advancements, but also depends heavily on the organization's ability to manage its human resources to optimally contribute to achieving organizational goals. In this context, employee performance is a strategic factor determining an organization's success in navigating an increasingly complex business environment.

According to Robbins and Judge (2023), performance is the work results achieved by individuals in accordance with the responsibilities assigned by the organization, both in terms of quality and quantity. High performance indicates that employees are able to carry out their work effectively and efficiently, and contribute to the achievement of organizational goals. According to Armstrong and Taylor (2023), employee performance is the work results achieved by individuals based on standards established by the organization through the utilization of their competencies, abilities, and work behaviors. This opinion demonstrates that organizational success is largely determined by the quality of individuals in carrying out their duties and responsibilities effectively.

PT. Bank Pembangunan Daerah Jambi, as a regional development bank, plays a strategic role in supporting the economic growth of Jambi Province by providing various financial services. As a regional financial institution, Bank Jambi is required to continuously improve service quality, strengthen competitiveness, and enhance the professionalism of its human resources to meet the expectations of the community and stakeholders. One of the work units that plays a crucial role in supporting the achievement of organizational goals is PT. Bank Pembangunan Daerah Jambi Sutomo Branch. This branch is the spearhead of service to the community, so the organization's success is greatly influenced by the quality of its employees' performance.

In practice, employee performance is influenced by various internal and external factors. One factor that has received considerable attention in human resource management literature is organizational climate. Organizational climate reflects employees' perceptions of the work environment they experience in carrying out their daily activities. A work environment that provides a sense of security, open communication, leadership support, clear work procedures, and harmonious interpersonal relationships will foster work enthusiasm and increase employee productivity. Conversely, a less conducive organizational climate can lead to conflict, low organizational commitment, increased levels of work stress, and decreased employee motivation and performance.

According to Schneider, Ehrhart, and Macey (2017), organizational climate is the shared perceptions held by organizational members regarding policies, practices, procedures, and rewarded behaviors within the organization. These perceptions influence how individuals act and behave in completing their work. According to D'Amato (2023), organizational climate is the shared perceptions held by organizational members regarding policies, practices, procedures, reward systems, communication, leadership, teamwork, and the work environment that shape individual behavior within the organization. Research conducted by Ali et al. (2021) shows that a positive organizational climate can increase work motivation and encourage improved employee performance. Research by Ilmi (2023) explains that organizational climate is a crucial determinant of the growth of banking organizations because it can improve communication, commitment, teamwork, responsibility, and organizational support.

In addition to organizational climate, competency is also a crucial factor in determining an organization's success in improving employee performance. Competency describes the

combination of knowledge, skills, abilities, experience, and individual characteristics that enable an individual to perform their job effectively. Employees with high competence tend to be able to adapt to technological changes, understand customer needs, complete work efficiently, and provide better service quality than employees with low competence.

According to Spencer and Spencer (1993), competence is a basic individual characteristic directly related to effectiveness and superior performance in a job. According to Boyatzis (2008), competence is a fundamental characteristic possessed by an individual that is directly related to the ability to produce superior performance in a job. Competence encompasses knowledge, skills, abilities, values, and behavioral characteristics that enable an individual to carry out tasks effectively.

Research by Hasan et al. (2023) in the banking sector shows that competence has a positive and significant influence on organizational commitment and employee performance. Employees with high competence tend to be able to complete work more quickly, provide better service, and adapt more easily to changes in technology and organizational policies. Conversely, low competence will result in increased work errors, lower productivity, and decreased quality of service to customers.

Although organizational climate and competence are believed to improve performance, the relationship is not always direct. From an organizational behavior perspective, work motivation is a psychological mechanism that drives individuals to exert their best efforts in achieving organizational goals. According to Robbins and Judge (2023), motivation is a process that explains a person's intensity, direction, and persistence in achieving specific goals. Highly motivated individuals demonstrate greater commitment to their work, are willing to exert their best effort, and are able to maintain high-quality performance despite facing various work challenges. Similarly, research conducted by Zahari et al. (2023) confirms that work motivation has a positive and significant influence on employee performance. Therefore, work motivation is seen as a mechanism that explains how organizational climate and competence can lead to improved employee performance.

Various previous studies have shown that the relationship between organizational climate, competence, work motivation, and employee performance still yields mixed results across various industrial sectors. Differences in organizational characteristics, work culture, leadership systems, and business environments mean that research results have not yet reached consistent conclusions. Furthermore, research specifically examining the role of work motivation as a mediating variable within the Regional Development Bank environment, particularly PT. Jambi Regional Development Bank Sutomo Branch, is relatively limited. This situation indicates a need for further research to contribute to the development of human resource management science and human resource management practices in the regional banking sector.

Based on this description, research on the influence of organizational climate and competency on employee performance through work motivation is crucial. The research results are expected to provide empirical evidence regarding the mechanisms of relationships between these variables and serve as a basis for the management of PT. Bank Pembangunan Daerah Jambi, Sutomo Branch, in formulating policies capable of sustainably improving employee motivation and performance. In addition to providing theoretical contributions to the development of human resource management studies, this research is also expected to have practical implications for organizations in creating a conducive work climate, improving employee competency, and optimizing work motivation as an effort to improve overall organizational performance.

METHOD

This research was conducted on employees at Bank Jambi Head Office. The data used in this study were secondary and primary. According to Sugiyono in Sudirman et al. (2020),

primary data is data collected directly by the researcher from primary sources through observation, interviews, and questionnaires. Secondary data is data obtained from various documents, organizational reports, books, scientific journals, and other sources relevant to the research.

The population in this study was all 55 employees of PT. Jambi Regional Development Bank, Sutomo Branch. Due to the relatively small population, the entire population was used as the research sample. The sampling technique used was saturated sampling (census). The variables used in this study were the exogenous variables: organizational climate (X1) and competency (X2), the mediating variable: motivation (Y), and the endogenous variable: employee performance (Z).

Data collection was conducted through questionnaires compiled using a Likert scale. According to Sekaran and Bougie (2016), the Likert scale is effective for measuring respondents' attitudes, perceptions, and opinions regarding a research phenomenon. Data analysis was performed using Structural Equation Modeling based on Partial Least Squares (SEM-PLS). According to Hair et al. (2022), SEM-PLS is very suitable for use in predictive and exploratory research with complex models and limited sample sizes.

RESULTS AND DISCUSSION

Description of Research Variables

The descriptive analysis in this study aims to provide a general overview of respondents' perceptions of the variables of organizational climate, competence, work motivation, and employee performance. Data were obtained from 55 respondents completing a questionnaire using a five-point Likert scale. This analysis was conducted by examining the scores of respondents' answers for each research variable. The total scores are shown in the following table:

Table 1. Respondent Scores per Variable

Variables	Item	Total Score	Range Scale	Category
Organizational Climate (X1)	15	3589	3466 – 4125	Very Good
Competence (X2)	12	2867	2773 – 3300	Very High
Motivation (Y)	16	3813	3697 – 4400	Very High
Employee Performance (Z)	18	4299	4159 – 4950	Very High

Source: Primary data, processed (2025)

The results of this study indicate that each employee has a positive perception of organizational climate, competence, work motivation, and employee performance. The total score for each variable is categorized as very good or very high.

Outer Model Testing Results

The outer model (measurement model) testing aims to assess the extent to which the indicators used in the study are able to measure the latent constructs validly and reliably. In this study, the analysis was conducted using SmartPLS to test convergent validity, discriminant validity, and construct reliability. According to Hair et al. (2022), a construct is considered good if it meets the criteria of convergent validity, discriminant validity, and composite reliability.

1) Convergent Validity Test

Convergent validity indicates the extent to which indicators within a construct have a high correlation. The measures used are the outer loading value and the Average Variance Extracted (AVE).

a. Outer Loading Value

A high outer loading value indicates that the indicator effectively measures the latent construct, while a lower value indicates potential problems in the model. Hair et al. (2022) defined the eligibility criteria as a valid indicator if the outer loading value is >0.70 .

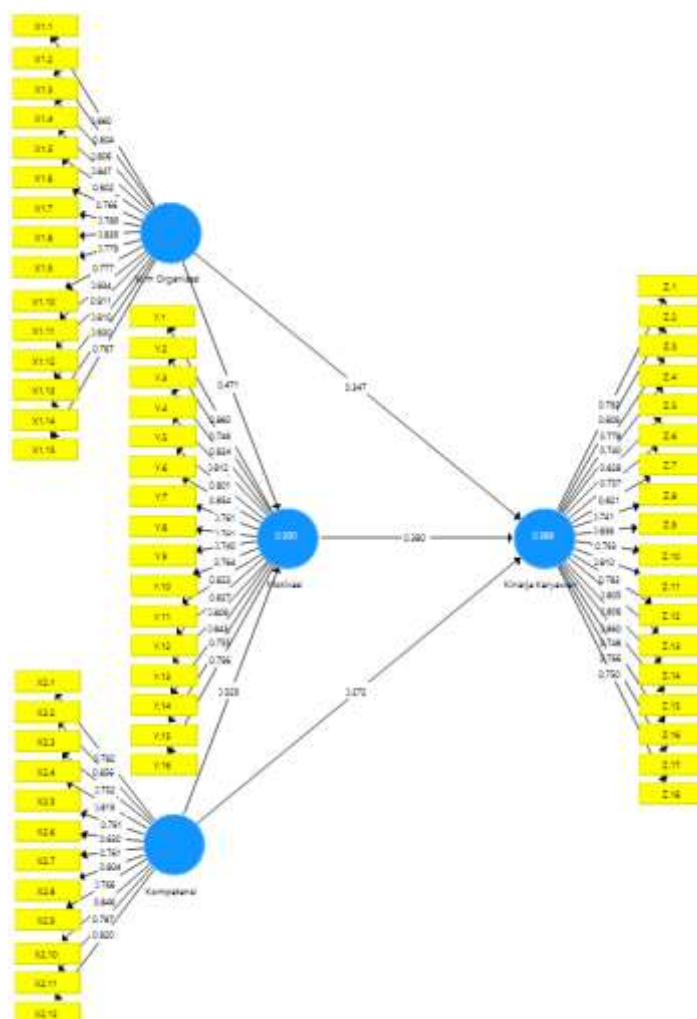


Figure 1. Outer Loading

The test results show that all indicators in the organizational climate, competency, work motivation, and employee performance variables have outer loading values above 0.70. This result indicates that all indicators adequately represent the constructs being measured. Therefore, no indicators were eliminated from the research model.

Substantively, these results indicate that each item in the questionnaire was well understood by respondents and had a strong relationship with the measured variables.

b. Average Variance Extracted (AVE)

AVE indicates the proportion of indicator variance that can be explained by the latent construct. Ghozali and Latan (2015) stated that a construct is said to have good convergent validity if the AVE value is ≥ 0.50 . An AVE value ≥ 0.50 indicates that more than 50% of the indicator's variance can be explained by the latent construct, with the remainder explained by measurement error.

An AVE value of at least 0.50 indicates that the construct is able to explain more than 50% of the variance in its indicators.

Table 2. Average Variance Extracted Values

Variables	AVE	Criteria	Description
Organizational Climate	0,654	> 0,50	Valid
Competence	0,643	> 0,50	Valid
Motivation	0,639	> 0,50	Valid
Employee Performance	0,626	> 0,50	Valid

Source: Smart PLS 3.0 Output (2025)

Based on the table, all variables have an AVE value above 0.50. This means that the constructs of organizational climate, competence, work motivation, and employee performance have met the criteria for convergent validity. The organizational climate variable has the highest AVE value (0.654), indicating that the organizational climate indicators are the strongest in explaining the construct.

2) Discriminant Validity Test

The discriminant validity test uses cross-loading values and aims to ensure that each construct has distinct characteristics and does not overlap excessively with other constructs. An indicator is considered to meet discriminant validity if its cross-loading value is greater than 0.7. The results of the discriminant validity test are as follows:

Table 3. Cross-Loading

Item	Organizational Climate	Competence	Motivation	Employee Performance
X1.1	0.860	0.836	0.846	0.839
X1.2	0.804	0.780	0.792	0.785
X1.3	0.806	0.802	0.786	0.816
X1.4	0.847	0.812	0.832	0.832
X1.5	0.802	0.802	0.799	0.799
X1.6	0.766	0.755	0.746	0.770
X1.7	0.789	0.753	0.770	0.762
X1.8	0.839	0.835	0.847	0.845
X1.9	0.779	0.764	0.757	0.768
X1.10	0.777	0.735	0.764	0.758
X1.11	0.834	0.824	0.823	0.831
X1.12	0.811	0.826	0.827	0.813
X1.13	0.810	0.786	0.809	0.795
X1.14	0.830	0.809	0.843	0.827
X1.15	0.767	0.741	0.739	0.740
X2.1	0.786	0.782	0.791	0.778
X2.2	0.857	0.856	0.860	0.842
X2.3	0.725	0.752	0.746	0.725
X2.4	0.810	0.819	0.824	0.825
X2.5	0.773	0.791	0.812	0.805
X2.6	0.806	0.830	0.801	0.806
X2.7	0.741	0.761	0.755	0.736
X2.8	0.785	0.804	0.796	0.788
X2.9	0.721	0.766	0.733	0.745
X2.10	0.817	0.846	0.821	0.840
X2.11	0.790	0.787	0.775	0.792
X2.12	0.791	0.820	0.800	0.809
Y.1	0.857	0.856	0.860	0.842
Y.2	0.725	0.752	0.746	0.725
Y.3	0.810	0.819	0.824	0.825
Y.4	0.773	0.791	0.812	0.805
Y.5	0.806	0.830	0.801	0.806
Y.6	0.853	0.857	0.854	0.860
Y.7	0.737	0.724	0.761	0.748

Item	Organizational Climate	Competence	Motivation	Employee Performance
Y.8	0.760	0.739	0.761	0.766
Y.9	0.720	0.736	0.740	0.750
Y.10	0.777	0.735	0.764	0.758
Y.11	0.834	0.824	0.823	0.831
Y.12	0.811	0.826	0.827	0.813
Y.13	0.810	0.786	0.809	0.795
Y.14	0.830	0.809	0.843	0.827
Y.15	0.741	0.761	0.755	0.736
Y.16	0.785	0.804	0.796	0.788
Z.1	0.790	0.787	0.775	0.792
Z.2	0.791	0.820	0.800	0.809
Z.3	0.786	0.782	0.791	0.778
Z.4	0.767	0.741	0.739	0.740
Z.5	0.805	0.805	0.810	0.828
Z.6	0.734	0.715	0.746	0.757
Z.7	0.834	0.836	0.827	0.821
Z.8	0.723	0.713	0.722	0.741
Z.9	0.819	0.827	0.824	0.838
Z.10	0.798	0.772	0.788	0.793
Z.11	0.806	0.790	0.779	0.810
Z.12	0.759	0.777	0.780	0.783
Z.13	0.773	0.791	0.812	0.805
Z.14	0.806	0.830	0.801	0.806
Z.15	0.853	0.857	0.854	0.860
Z.16	0.737	0.724	0.761	0.748
Z.17	0.760	0.739	0.761	0.766
Z.18	0.720	0.736	0.740	0.750

Source: Smart PLS 3.0 Output (2025)

The analysis results show that all constructs meet the criteria for having cross-loading values greater than 0.7. This finding strengthens the evidence that the indicators used in this study have good discriminant validity in composing their variables. Therefore, the requirements for discriminant validity are met, and the model can proceed to the next stage of analysis.

3) Construct Reliability Test

Construct reliability indicates the internal consistency between indicators in measuring latent variables. The measures used are Cronbach's Alpha and Composite Reliability. According to Hair et al. (2022), values above 0.70 indicate good reliability.

Table 4. Cronbach's Alpha and Composite Reliability

Variables	Cronbach's Alpha	Composite Reliability	Criteria	Description
Organizational Climate	0,976	0,966	> 0,70	Reliabel
Competence	0,978	0,956	> 0,70	Reliabel
Motivation	0,966	0,966	> 0,70	Reliabel
Employee Performance	0,978	0,968	> 0,70	Reliabel

Source: Smart PLS 3.0 Output (2025)

The table above shows that all variables have Cronbach's Alpha and Composite Reliability values > 0.70. These results indicate that the research instrument has a very good level of internal consistency. The employee performance variable has the highest Composite Reliability of 0.968, indicating that the performance indicators are highly consistent in measuring this construct.

Inner Model Testing

The inner model evaluation was conducted to determine the structural model's ability to explain the relationships between latent variables. Inner model testing included the R-Square (R^2) and Predictive Relevance (Q^2) values.

a. R-Square (R^2) Value

The coefficient of determination (R^2) value indicates the ability of exogenous variables to explain variation in endogenous variables. Referring to the criteria of Hair et al. (2022), an R^2 value of 0.75 is considered strong (substantial), indicating that this study's structural model has good predictive ability. The test results are presented in the following table:

Table 5. R-Square Value

Variabel	R-Square	Interpretasi
Motivation (Y)	0,990	Very Strong
Employee Performance (Z)	0,989	Very Strong

Source: Smart PLS 3.0 Output (2025)

Table 5 shows that the R^2 value for work motivation is 0.990, meaning that the organizational climate and competency variables explain 99% of work motivation, while the remaining 1% is explained by other variables outside the research model. Meanwhile, the R^2 value for employee performance is 0.989, meaning that the organizational climate, competency, and work motivation variables explain 98.9% of the variation in employee performance, while the remaining 1.1% is influenced by other factors not examined.

b. Predictive Relevance (Q^2)

The Q^2 value is used to determine the predictive ability of the research model. The calculation is performed using the following formula:

$$\begin{aligned}
 Q^2 &= 1 - (1 - R_1^2) (1 - R_2^2) \\
 Q^2 &= 1 - (1 - 0,990^2) (1 - 0,989^2) \\
 Q^2 &= 1 - (1 - 0,9801) (1 - 0,9781) \\
 Q^2 &= 1 - (0,0199)(0,0219) \\
 Q^2 &= 1 - 0,0043 \\
 Q^2 &= 0,9995
 \end{aligned}$$

The Q^2 value of 0.9995 is greater than 0, indicating that the research model has excellent predictive relevance.

Hypothesis Testing (Bootstrapping)

Hypothesis testing was conducted using the bootstrapping method with a significance level of 5%. The decision-making criteria were that the hypothesis was accepted if the t-statistic was greater than 1.96 and the p-value was less than 0.05 at the 5% significance level ($\alpha = 0.05$).

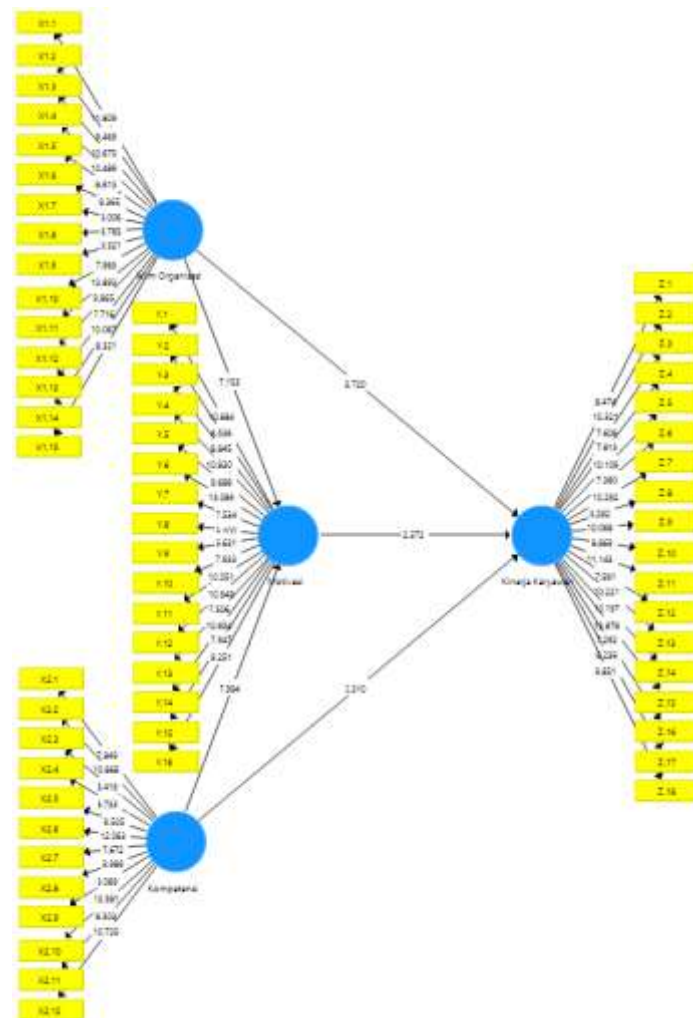


Figure 2. Bootstrapping

Bootstrapping results indicate that all relationships between variables are statistically significant. This finding proves that all research hypotheses are accepted.

Hypothesis testing can also be performed on direct effect analysis, namely to test the significance of the causal relationship between the independent (exogenous) and dependent (endogenous) variables in the research model. This method verifies whether a predictor variable statistically influences the outcome variable. The results of the statistical computations from the test can be seen in the following table:

Table 7. Direct Effect Results

Relationships Between Variables	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Organizational Climate → Motivation	0.347	0.353	0.097	3.564	0,000
Competence → Motivation	0.471	0.476	0.064	7.311	0,000
Organizational Climate → Employee Performance	0.272	0.287	0.113	2.415	0.020
Competence → Employee Performance	0.529	0.524	0.065	8.172	0,000
Motivation → Employee Performance	0.380	0.360	0.164	2.316	0.020

Source: Smart PLS 3.0 Output (2025)

Based on Table 7, the results of the direct effect test indicate that all hypotheses in the study are accepted. The details are explained as follows:

1. The direct effect of Organizational Climate on Motivation has a t-statistic of $3.564 > 1.96$ and a p-value of $0.000 < 0.05$. These results indicate that Organizational Climate has a positive and significant effect on Motivation. This means that the better the organizational climate created in the work environment, the higher employee motivation will be.
2. The direct effect of Competence on Motivation has a t-statistic of $7.311 > 1.96$ and a p-value of $0.000 < 0.05$. These results indicate that Competence has a positive and significant effect on Motivation. This effect is quite strong, meaning that increasing employee abilities, skills, and knowledge can significantly increase employee work motivation.
3. The direct effect of Organizational Climate on Employee Performance has a t-statistic of $2.415 > 1.96$ and a p-value of $0.020 < 0.05$. These results indicate that Organizational Climate has a positive and significant effect on Employee Performance. A good and conducive work environment can improve employee work quality and productivity.
4. The direct effect of Competence (X2) on Employee Performance (Z) has a t-statistic of $8.172 > 1.96$ and a p-value of $0.000 < 0.05$. These results indicate that Competence has a positive and significant effect on Employee Performance. Furthermore, this relationship is the largest direct influence in the research model, indicating that competence is a dominant factor in improving employee performance.
5. The direct effect of Motivation on Employee Performance has a t-statistic of $2.316 > 1.96$ and a p-value of $0.020 < 0.05$. These results indicate that motivation has a positive and significant effect on employee performance. The higher the employee's work motivation, the better their performance.

Mediation Test Results

A mediation test is a statistical analysis method to determine whether an intermediary variable (mediator) is able to bridge or explain the influence mechanism between the independent (exogenous) and dependent (endogenous) variables. This variable makes the influence indirect.

Table 8. Indirect Effect Values

Relationships Between Variables	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Organizational Climate → Motivation → Employee Performance	0.179	0.169	0.080	2.222	0.020
Competence → Motivation → Employee Performance	0.201	0.190	0.092	2.185	0.030

Source: Smart PLS 3.0 Output (2025)

Based on Table 8, the mediation test to determine the indirect effect can be explained as follows:

1. Indirect effect through the intervening variable, motivation. The indirect effect of organizational climate on employee performance through motivation has a t-statistic of $2.222 > 1.96$ and a p-value of $0.020 < 0.05$. These results indicate that motivation significantly mediates the effect of organizational climate on employee performance.
2. The indirect effect of competence on employee performance through motivation has a t-statistic of $2.185 > 1.96$ and a p-value of $0.030 < 0.05$. These results indicate that motivation also significantly mediates the effect of competence on employee performance.

Discussion

The Effect of Organizational Climate on Work Motivation

The results of this study indicate that organizational climate has a positive and significant effect on employee work motivation at PT. Bank Pembangunan Daerah Jambi, Sutomo Branch. These results indicate that the more conducive the organizational climate perceived by employees, the higher their motivation to perform their work.

These findings align with Robbins and Judge's (2023) organizational behavior theory, which explains that the organizational environment is a crucial factor influencing individual motivation in achieving organizational goals.

In the context of PT. Jambi Regional Development Bank Sutomo Branch, a positive organizational climate is reflected in cooperation among employees, effective communication between leaders and subordinates, clear division of tasks, and organizational support for work execution. These conditions create a sense of belonging to the organization, encouraging employees to contribute their best in carrying out their duties.

The Influence of Competence on Work Motivation

The results of the study indicate that competence has a positive and significant effect on work motivation. This means that the higher the competence of employees, the higher their motivation to perform their work.

These findings also align with Bandura's (1997) self-efficacy theory, which explains that a person's belief in their abilities will increase their motivation to complete work optimally. Individuals with high competence will have greater self-confidence, thus being driven to perform better.

At PT. At the Jambi Regional Development Bank, Sutomo Branch, employee competencies are acquired through education, training, work experience, and ongoing skills development. These competencies enable employees to more easily adapt to changes in the banking system, developments in digital technology, and customer service demands, thereby increasing work motivation.

The Influence of Organizational Climate on Employee Performance

Research results show that organizational climate has a positive and significant impact on employee performance. This indicates that a favorable work environment can improve the quality and quantity of employee output.

According to Robbins and Judge (2023), organizations that create a supportive work environment will foster positive work behaviors, leading to improved individual and organizational performance. A work environment that provides a sense of comfort, recognition, opportunities for development, and harmonious interpersonal relationships will increase employee productivity.

At PT. Jambi Regional Development Bank, Sutomo Branch, a favorable organizational climate provides every employee with the opportunity to work effectively through good coordination, open communication, leadership support, and a clear division of labor. These conditions can improve the timeliness of work completion, the quality of customer service, and the achievement of work targets.

The Influence of Competence on Employee Performance

Research results show that competence has a positive and significant impact on employee performance. This finding suggests that increasing abilities, knowledge, skills, and work experience will impact the quality of employee performance.

According to Spencer and Spencer (1993), competence is the primary factor that differentiates high-performing individuals from average performers. The higher a person's competence, the more effective their work performance.

In the banking sector, competence plays a crucial role given the high demands for service quality, administrative accuracy, the ability to use information technology, regulatory compliance, and the ability to provide solutions to customers. Therefore, improving competence through education, training, certification, and coaching is a strategic investment for organizations.

The Influence of Work Motivation on Employee Performance

Research results indicate that work motivation has a positive and significant impact on employee performance at PT. Bank Pembangunan Daerah Jambi, Sutomo Branch. This finding suggests that the higher an employee's work motivation, the higher their performance.

From the perspective of Goal Setting Theory developed by Locke and Latham (2019), work motivation will also increase if the organization sets clear, challenging, but achievable goals. Specific goals provide direction for employees in carrying out their work, increase focus on targets, and encourage them to demonstrate better performance.

Research conducted by Lee and Raschke (2023) also shows that work motivation is a key determinant of employee performance in modern organizations. Highly motivated employees demonstrate higher levels of productivity, innovation, and work engagement than those with low motivation.

At PT. Bank Pembangunan Daerah Jambi, Sutomo Branch, work motivation is reflected in employees' desire to achieve organizational targets, provide excellent service to customers, improve work quality, and contribute to the achievement of company goals.

The Mediating Role of Work Motivation in the Relationship between Organizational Climate and Employee Performance

The results of the hypothesis test indicate that work motivation positively and significantly mediates the relationship between organizational climate and employee performance at PT. Bank Pembangunan Daerah Jambi, Sutomo Branch. These findings indicate that a conducive organizational climate not only directly impacts employee performance but also increases work motivation, ultimately strengthening performance.

These research findings are also supported by research by Rohyani (2018), which found that organizational climate positively influences employee performance through work motivation. This research explains that organizations that are able to create a conducive work environment will increase employee morale, commitment, and productivity, thereby impacting organizational performance.

The practical implication of this research is that the management of PT. Jambi Regional Development Bank Sutomo Branch needs to develop policies that can strengthen the organizational climate while increasing work motivation. These efforts can be achieved through improving leadership quality, open two-way communication, providing performance-based rewards, transparent career development, implementing ongoing training, and creating a collaborative organizational culture. Thus, work motivation will increase and act as a bridge that strengthens the influence of organizational climate on improving employee performance.

The Mediating Role of Work Motivation in the Relationship Between Competence and Employee Performance

The results of the hypothesis testing indicate that work motivation positively and significantly mediates the influence of competence on employee performance at PT. Jambi Regional Development Bank, Sutomo Branch. This finding indicates that employee competence not only directly influences performance improvement but also enhances work motivation, which in turn drives optimal performance. Thus, work motivation serves as a mediating variable explaining the mechanism by which competence translates into productive work behavior and results in high performance.

Theoretically, the results of this study align with the concept of competence proposed by Spencer and Spencer (1993), who state that competence is a basic individual characteristic consisting of knowledge, skills, self-concept, traits, and motives that are causally related to superior performance.

These results are consistent with research by Salman, Ganie, and Saleem (2020), which concluded that human resource competence is a strategic factor capable of improving organizational performance by increasing employee motivation and work effectiveness. The research shows that competence not only directly impacts performance but also strengthens psychological factors that drive employee productivity.

Within the Sutomo Branch of PT. Jambi Regional Development Bank, employee competence is reflected in their ability to understand banking products and services, master information technology systems, comply with banking regulations, complete work accurately, and provide professional service to customers. This competence makes employees more confident in carrying out their duties, thus motivating them to achieve work targets, improve service quality, and make the best contribution to the organization. This situation demonstrates that high competence will be more effective in improving performance when accompanied by strong work motivation.

CONCLUSION

Based on the research findings, it can be concluded that organizational climate and competency are important factors influencing improved employee performance, both directly and indirectly through work motivation at PT. Bank Pembangunan Daerah Jambi, Sutomo Branch.

The results indicate that organizational climate and competency have a positive effect on work motivation and employee performance. Furthermore, work motivation also has a positive effect on employee performance, indicating that higher work motivation leads to better performance.

This study also demonstrates that work motivation mediates the influence of organizational climate and competency on employee performance. Therefore, improving employee performance depends not only on creating a conducive organizational climate and adequate competency, but also on the organization's efforts to improve work motivation. Therefore, PT. Bank Pembangunan Daerah Jambi, Sutomo Branch, needs to continuously strengthen a positive organizational climate, develop employee competencies sustainably, and implement strategies that enhance work motivation to achieve optimal organizational performance.

Overall, the results of this study indicate that improving employee performance at PT. Jambi Regional Development Bank Sutomo Branch requires integrated efforts through the creation of a conducive organizational climate, continuous employee competency development, and increased work motivation. These three aspects are strategic factors that support each other in creating high-performing human resources and increasing organizational competitiveness.

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