



The Moderating Role Of Work Motivation In The Relationship Between Competencies, Individual Characteristics, And Work Environment On Employee Performance

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ABSTRACT

This study aims to analyze the effect of competence, individual characteristics, and work environment on employee performance, with work motivation as a moderating variable at BKPSDM Musi Rawas Regency. The study population amounted to 48 employees, and all were sampled through a saturated sampling technique. Data were collected through questionnaires that included independent variables (competence, individual characteristics, work environment), dependent variables (employee performance), and moderating variables (work motivation). The results showed that the three independent variables had a significant positive effect on employee performance. In addition, work motivation proved to moderate the relationship significantly. This finding indicates that optimal performance can be achieved through adequate competence, strong individual character, a conducive work environment, and high work motivation. The practical implications of these results encourage strengthening employee training, individual character mapping, work environment improvement, and motivation enhancement strategies. Theoretically, this research strengthens the interactional model in the study of public sector work behavior and contributes to the development of human resource management theory in the context of local government bureaucracy in Indonesia.

INTRODUCTION

The quality of human resources in public organizations, especially civil servants (PNS), is a major determining factor in achieving the organization's vision, mission, and strategic goals. Research shows that employees with high organizational commitment tend to establish positive

relationships with management and perform better (Rahmadani & Winarno, 2023). This organizational commitment links a healthy work culture and improved employee performance, as explained by (Obeng et al., 2020), who found that job satisfaction and organizational support contributed significantly to employee performance.

Increased organizational commitment has been shown to positively impact performance achievement, both at the individual and organizational levels (Obeng et al., 2020). Employees who are satisfied with their jobs are more motivated to make optimal contributions, increasing the institution's productivity (Afrizal et al., 2022; Azmy & Wiadi, 2023). In addition, a strong organizational culture and management support play a key role in creating a work environment conducive to employee performance growth (Handayani et al., 2021). Employees who feel valued and supported are likelier to demonstrate high performance and loyalty to the organization (Hasan, 2020); (Layan et al., 2024). Therefore, creating a work environment that supports and encourages organizational commitment in public sector human resource management strategies (Luo, 2018).

In this study, the performance of civil servants within the Musi Rawas Regency Personnel and Human Resources Development Agency (BKPSDM) is an important factor in the success of local governance. BKPSDM manages human resources, including training and developing employee competencies. Employee performance reflects the achievement of quantity and quality of work by established standards (Puente & Sánchez-Sánchez, 2023). In this context, work motivation plays a strategic role because it has been shown to affect performance and job satisfaction in the public sector ((Kolk et al., 2018; Tahir et al., 2025). However, BKPSDM Musi Rawas Regency faces various challenges in improving employee performance, especially related to low work motivation caused by competency mismatches, individual character, and unsupportive work environment conditions (Yudiatmaja et al., 2021). Research by Bhutta et al., (2024) confirmed that effective management and organizational support can increase employee motivation and performance in the public sector. Therefore, organizational culture-based management approaches and internal support need to be a focus in HR development strategies (Kolk et al., 2018). The results of employee performance can be seen in Table 1.

Table 1. Comparison of Target with Performance Realization in 2022 & 2023

No	Destination	Target	Performance Indicators	2021		2022		2023		Year 2023 Realization against End of Strategic Plan target
				Target	Realization	Target	Realization	Target	Realization	
1.	Improved Quality of Apparatus HR Management	Improved Quality of Apparatus Human Resources Arrangement	Percentage of Position Filling in accordance with Position Competency Standards	40	41.56	45	45.00	50	50	76.9%
2.	Realization of Professional Apparatus Human Resources	Increased ASN Professionalism	ASN Professionalism Index	60	61.68	62.9	59.62	65.84	72.20	96,8%
3.	Realization of Quality Personnel Administration Services	Improved Quality of Personnel Administration Services	Employee Administration Service Satisfaction Index	88.03	88.08	88.04	88.05	88.05	90.76	103%
4.	The realization of an Accountable and Professional BKPSDM	Improved Quality of BKPSDM Governance	BKPSDM SAKIP Evaluation Score	73	82.16	74	80.05	75	81.55	104%
			BKPSDM ASN Professionalism Index	85	83.33	86	69.46	87	81.22	93,3%

Data from the Government Agency Performance Report (LKJIP) of BKPSDM Musi Rawas Regency in 2023 shows that the achievement of the Indicator for Filling Positions Based on Competency Standards reached 76.9%. Although this figure is quite good, the realization has not met the strategic plan target because applying the merit system in filling positions has not been optimal. Although the ASN Professionalism Index reached 96.8%, this achievement has not fully met the target due to the low score on the competency dimension. In contrast, the Civil Service Administration Service Satisfaction Index showed a 103% achievement based on a community satisfaction survey conducted by BKPSDM. However, it needs to be reviewed whether the survey results reflect the real conditions in the field so that data accuracy and survey methodology are crucial. Competency gaps are also an important concern. There are indications that employee placement that is not in accordance with competence decreases productivity and job satisfaction (Fransinatra et al., 2022; (Kim & Choi, 2018). Subjective competency assessment risks causing injustice in career development (Goulart et al., 2021), so a more objective and standardized assessment method is needed, such as performance indicator-based training needs analysis ((Bohloul et al., 2017; Wardani & Fatimah, 2020).

Individual characteristics such as motivation, personality, work attitudes, and personal values also contribute to performance. Employees with high intrinsic motivation are more committed and perform better (Hasanah & Lo, 2020). Traits such as conscientiousness have strengthened work engagement (Pocnet et al., 2015). The alignment between individual characters and organizational goals is necessary to create synergy in increasing productivity (Suryanto & Sandra, 2021).

The work environment, both physical and social, also affects performance. Comfortable physical conditions and healthy interpersonal relationships increase employee motivation and performance (Rožman et al., 2017; Perkasa et al., 2023). Leadership style also plays an important role; participative leadership is more effective than authoritarian in promoting collaboration and productivity (Jami et al., 2022; Haldorai et al., 2020). Work environment discomfort has also reduced effectiveness.

Motivation has a role in performance. Highly motivated employees can overcome competency limitations and non-ideal working conditions (Deci et al., 2017; Diamantidis & Chatzoglou, 2019); (Swift & Peterson, 2018). Conversely, low motivation can be an obstacle even though employees have high competence. Therefore, effective motivation management is key to creating a work environment that supports the achievement of optimal performance (Ofar et al., 2022).

LITERATURE REVIEW

Performance

Performance is defined as the tangible results of an employee's efforts in carrying out the duties and functions entrusted to him. Good performance is essential in an organization's efforts to achieve its goals, and as an indicator of operational effectiveness, employee performance is the focus of management assessment (Ciobanu et al., 2019). In this context, the performance of civil servants is not only measured by the level of results achieved but also by the quality and quantity of work they perform consistently within a given period (Nica et al., 2022). Performance management in the public sector often involves developing and implementing effective human resource practices.

These practices are expected to create a supportive work environment and encourage employees to take initiative and commit to their duties and responsibilities (Ciobanu et al., 2019). For example, studies show that good transformational leadership can stimulate employee performance by building trust and emotional support in the workplace, increasing individual motivation and performance ((Fan et al., 2022; Sudha et al., 2023). Furthermore, the importance of employee commitment in supporting performance cannot be ignored. A high level of

commitment will positively impact employee performance, allowing them to be more involved in achieving organizational goals.

Studies show that good management in terms of job satisfaction and a healthy organizational environment can increase employee commitment, which contributes to improved performance (Pamungkas & Wulandari, 2021; Oladimeji & Abdulkareem, 2023).

Competence

Civil servant (PNS) competence refers to the knowledge, skills, personal traits, and abilities that affect employee performance in their duties. According to Hadiyantina, (2020), these competencies are critical to maintaining the neutrality and professionalism of civil servants, especially in providing fair and impartial public services. In the Indonesian context, civil servant competencies can be seen as a combination of integrated personal attributes, skills, and knowledge that can be assessed through observable performance behaviors. Furthermore, these competencies serve as theoretical guidelines and a practical framework for identifying abilities appropriate to the assigned tasks.

For example, research by Nurwahyudin et al., (2024) shows that in the digital era, continuous competency development is essential to improve individual and organizational performance of civil servants, where each employee is expected to undergo a minimum of 20 hours of training annually to improve their skills. In this regard, digital skills enhancement is becoming increasingly relevant to meet the demands of efficient and effective public services.

Furthermore, competence also plays a role in the organizational structure of civil servants, as expressed by Aliushyna et al., who emphasized that the process of professionalization of civil servants is influenced by personal qualities, working conditions, and motivation. This process requires individuals to have adequate qualifications and the motivation to contribute to the organization's development actively.

Developing competency standards in civil servants' education and training systems is also important to produce employees who can sustainably support government objectives and public welfare. Thus, the competencies of civil servants are not only technical criteria but include various personal and professional aspects that contribute to their success in public service. Implementing civil servant competency policies must be integrated, sustainable, and supported by adequate education and training to prepare employees to face dynamic challenges ((Nazarwin, 2024; Fitrawati & Takdir, 2022).

Individual Characteristics

Civil servants' competencies are strongly influenced by individual characteristics, which include diverse views, goals, needs, and abilities. Each individual brings unique backgrounds and experiences to the world of work, which ultimately contributes to the diversity in job satisfaction they feel, even though they work in the same environment. These differences affect employee interactions, performance, and motivation in public service, impacting public organizations' efficiency and effectiveness ((Mulyawan et al., 2022; Schwarz et al., 2020)

Individual characteristics include abilities, attitudes, personality, and values that guide daily actions and decisions. In the context of civil servants, these factors also relate to motivation to provide services to the public. Research shows that different dimensions of job characteristics can trigger different public service motivations, affecting employee performance (Mulyawan et al., 2022; Oladimeji & Abdulkareem, 2023). In addition, employee satisfaction can be influenced by how leadership in the organization creates an environment that supports fulfilling employees' psychological needs, such as autonomy (Chiniara & Bentein, 2016).

Individuals with more proactive characteristics or open personalities tend to respond more to servant leadership approaches. Such leadership effectively improves employee commitment and performance through increased trust and psychological empowerment (Jaramillo et al., 2015; Jaiswal & Dhar, 2017). Fulfilling individuals' basic needs at work, such as psychological

safety, also contributes to the improved performance of civil servants (Faraz et al., 2019). Therefore, public organizations need to understand and appreciate the individual characteristics of their employees in designing appropriate training and development programs to improve overall performance (Mulyawan et al., 2022; Schwarz et al., 2020).

Work Environment

The work environment for civil servants refers to all the physical and non-physical elements that surround individuals as they carry out their duties within government institutions. This environment includes physical spaces such as offices, facilities that support work activities, and the social atmosphere built between coworkers and superiors. According to research, the quality of the work environment directly affects job satisfaction and employee performance. In particular, comfortable environmental conditions can encourage employees to feel calmer, safe, and motivated (Perkasa et al., 2023).

Work Motivation

Work motivation of civil servants is a fundamental aspect of achieving effective and efficient organizational performance. Etymologically, the word motivation comes from the Latin *move*, which means to move or push. In this context, motivation can be understood as a psychological process that arises from the interaction of internal and external factors that influence individual behavior in achieving specific goals (Deci et al., 2017; Jungert et al., 2017). Work motivation is not only related to the drive to meet basic needs but also involves achieving higher goals for individuals and the organization as a whole. As a drive, motivation involves individual efforts to make maximum contributions to the organization's success. This is in line with research showing that the success of an organization is highly dependent on employee motivation, which results in passion and enthusiasm at work ((Deci et al., 2017; Jungert et al., 2017).

Without motivation, employees may feel reluctant to contribute optimally, which can hinder achieving organizational goals. By understanding the relationship between internal drives and external incentives, managers can create a work environment that supports employee motivation, thereby encouraging them to achieve top performance (Deci et al., 2017; Jungert et al., 2017).

METHODS

This research design was carried out at the Musi Rawas Regency Human Resources Staffing and Development Agency, with theoretical reinforcement from relevant literature and previous research, which formed the basis for formulating hypotheses that aligned with the objectives and problems to be studied.

This process is an important part of research methodology, where the researcher must determine the appropriate way to collect data and define the population and sample to be used. Thus, the selection of data collection techniques includes the determination of research instruments that will be tested by considering the indicators that have been developed previously (Aithal, 2022; Ganesha & Aithal, 2022). After data collection, data analysis is carried out using predetermined techniques based on the applicable research criteria.

Selection of appropriate analytical techniques is essential for the results obtained to be valid and reliable, and this often includes validity and reliability tests, as well as appropriate statistical analysis such as regression analysis. In this context, it is important to follow appropriate sampling guidelines to draw significant conclusions from the research results (Santoso et al., 2023). Finally, from the analysis conducted, conclusions and suggestions are drawn to provide valuable recommendations for interested parties and guide further research in the same field (Situmorang et al., 2023).

The population in this study consisted of 48 employees who worked at BKPSDM Musi Rawas Regency. In the research context, the population is defined as all individuals who are the subject of the study. At the same time, the sample is part of the population that represents the characteristics of the entire population.

The sample selection technique used in this study is saturated sampling, where all population members are included as research samples. Thus, the total sample used in this study amounted to 48 employees, which indicates that the saturated sampling method or census has been applied (Hossan et al., 2023)

Data collection was done through questionnaires, which is a common technique in research data collection. This method involves the distribution of questionnaires to individuals relevant to the study. In the process, the researcher develops a list of questions related to the predetermined research variables, namely the independent variables (competencies, individual characteristics, and work environment), the dependent variable (employee performance), and the moderating variable (work motivation) ((Rudolph et al., 2023). This approach is important to ensure that the data obtained is not only representative but also reliable to support the analysis and conclusions drawn in the study.

RESULTS

Regression Model of Competence (X1), Individual Characteristics (X2) and Work Environment (X3) on Employee Performance (Y)

The first path analysis is to see the effect of independent variables on the dependent variable, in this case, the effect of competence (X1), individual characteristics (X2), and work environment (X3) on employee performance (Y). The first regression results are:

Table 2. Coefficients of Path Analysis Testing Results First

Coefficients ^a					
Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	22.949	2.404		9.545	.000
Competence (X1)	.167	.054	.270	3.109	.003
Individual Characteristics (X2)	.300	.045	.512	6.608	.000
Work Environment (X3)	.146	.044	.268	3.335	.002
a. Dependent Variable: Employee performance (Y)					

Source: data processed by researchers, 2024

The results of regression testing conducted in this study found that competence (X1) significantly affects employee performance (Y) with a significance value of 0.003, which is smaller than 0.05. The coefficient of the effect of competence (X1) on employee performance (Y) is 0.270, which indicates that every unit increase in competence will increase employee performance by 0.270 units. This finding aligns with research by Hutabarat et al., (2023) which reveals that competence is an important factor in improving employee performance. Other studies also confirm that employee competence contributes significantly to performance in various organizational contexts ((Razak & Priscilla, 2024).

Furthermore, individual characteristics (X2) significantly influence employee performance (Y) with a significance value of 0.000, indicating a strong influence. The coefficient of 0.512 means that each one-unit increase in individual characteristics can increase employee performance by 0.512 units. This is in line with the findings by Suhasto and Lestariningsih, who confirmed the position of individual characteristics as a crucial factor that has a significant effect on employee performance, especially in motivation and dedication to work (Sentoso & Kelly, 2021; Aryata & Marendra, 2023). With the support of other studies, the contribution of individual characteristics in influencing employee work outcomes has also been strengthened (Pawirosumarto & Dara, 2017). On the other hand, the work environment (X3) also has an important role, with a significance value of 0.002. The coefficient value of 0.268 indicates that each unit increase in the work environment is expected to increase employee performance by 0.268 units. Research shows that a conducive work environment significantly improves employee performance (Siregar & Sitorus, 2022). Other studies also strengthen the argument that a good work environment can motivate employees to work more optimally, support productivity, and increase job satisfaction (Bustamam et al., 2020). Furthermore, the *Model Summary* of the first regression analysis test results is as follows:

Table 3. Model Summary of Analysis Test Results First Regression

Model	R	R Square	Adjusted R Square	STD. Error of the Estimate
	.931	.867	.858	1.489

Source: data processed by researchers, 2024

The results of the regression test conducted, the output of the SPSS software, shows an R Square value of 0.867, which indicates that the contribution of the independent variables X1, X2, and X3 to the dependent variable Y reaches 86.7%. From a statistical perspective, the R Square value is a commonly used measure to assess how well the regression model explains the data, with a high value indicating that the model is relatively good at predicting the relationship between the variables analyzed (Almutairi & Arabiat, 2021); (Massokolo, 2022). In this study, 13.3% of the total variability of Y was still based on other variables not examined in this analysis, confirming the importance of considering other external factors that might affect the results of (Massokolo, 2022) and (Jia, 2023).

To calculate the amount of measurement error in this model, the value of e_1 is obtained as the square root of $(1 - R \text{ Square})$, namely $\sqrt{(1 - 0.867)}$, which results in a value of 0.365. The resulting regression formula is $Y = \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + e_1$, then the output of the SPSS analysis defines the regression equation as $Y = 0.270X_1 + 0.512X_2 + 0.268X_3 + 0.365$. From this result, it can be interpreted that each one-unit increase in variable X1 (competence) contributes to an increase in employee performance (Y) by 0.270 units. In contrast, a one-unit increase in X2 (individual characteristics) has a greater impact of 0.512. An increase in X3 (work environment) contributes 0.268 units, which shows the importance of these three variables in improving employee performance (Almutairi & Arabiat, 2021; Yasir & Majid, 2020; Al-Aali, 2021).

The interpretation of these results confirms that optimal human resource management can increase employee productivity. This is in line with research showing a positive relationship between effective human resource management practices and employee performance in various sectors (Mirzayi & Motaghi, 2024). For example, Alharbi et al., (2022) explained that good human resource management practices can strengthen employee engagement, positively impacting their performance. Therefore, management needs to focus on developing individual competencies and creating a conducive work environment to improve overall productivity.

Regression Model of Interaction of Competence and Work Motivation, Interaction of Individual Characteristics and Work Motivation and interaction of Work Environment and Work Motivation on Employee Performance (Y)

Table 4 Coefficients of Regression Analysis Test Results Second

Coefficients ^a					
Model	Unstandardized Coefficients		Standardized Coefficients	T	sig.
	B	Std. Error	Beta		
(Constant)	68.874	3.588		19.193	.000
Competence * Work Motivation (X ₁ M)	.004	.001	.725	3.844	.000
Individual Characteristics * Work Motivation (X ₂ M)	.005	.001	.921	7.166	.000
Work Environment * Work Motivation (X ₃ M)	.003	.001	.542	3.740	.001
Work Motivation (M)	.792	.109	.1.343	7.261	.000

a. Dependent Variable: Employee Performance (Y)

Source: data processed by researchers, 2024

Based on the regression analysis output generated by SPSS, the interaction between competence and work motivation (X₁M) significantly affected employee performance, with a significance value of 0.000, which is much smaller than 0.05. This indicates that work motivation is a moderating variable that strengthens the relationship between competence and employee performance. This indicates that work motivation is a moderating variable that strengthens the relationship between competence and employee performance. The coefficient for this interaction was recorded at 0.725, which means that every one-unit increase in the interaction between competence and work motivation will increase employee performance by 0.725 units, according to the findings noted in the literature (Hidayat et al., 2024). The direct effect of work motivation (Z) on employee performance (Y) is also highly significant, with a significance value recorded at 0.000. With a coefficient value of 1.343, this finding indicates that every one-unit increase in work motivation can increase employee performance by 1.343 units. Previous research shows that work motivation is a key driver of productivity and performance in various organizational contexts, reinforcing this factor's importance in improving employee performance in the workplace (Yulius, 2021). Furthermore, the Model Summary of the second path analysis test results is as follows:

Table 5. Model Summary of Regression Analysis Test Results Second

Model	R	R Square	Adjusted R Square	STD. Error of the Estimate
1	.940	.883	.872	1.41665

Source: data processed by researchers, 2024

Based on the SPSS output of the second path analysis in the *Model Summary* table above, the R Square value of 0.883 indicates that the contribution of X₁M, X₂M, X₃M and Z to Y together is 88.3% and the remaining 11.7% is the contribution of other variables not examined. So that the value of $e^2 = \sqrt{1 - R \text{ Square}} = \sqrt{1 - 0.883} = 0.342$, for the moderation regression equation

is $Y = \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta Z + \beta X_{1M} + \beta X_{2M} + \beta X_{3M} + e$, then from the results of the first regression and the second regression, the moderation regression equation from the SPSS output can be produced is $Y = 0.270 X_1 + 0.512 X_2 + 0.268 X_3 + 1.343 Z + 0.725 X_{1M} + 0.921 X_{2M} + 0.542 X_{3M} + 0.342$. The meaning of the equation is that an increase in competence (X₁) by one unit contributes to an increase in employee performance (Y) by 0.270 units. The research shows a significant positive relationship between these two variables. This is consistent with Pasaribu et al., (2023) research, which states that alignment between individual characteristics and job demands is critical to maintaining motivation and performance.

DISCUSSION

Effect of Competence (X1) on Employee Performance (Y)

Analysis of the effect of competence on employee performance at the Musi Rawas Regency Personnel and Human Resources Development Agency (BKPSDM) shows a significant relationship between the two variables. The use of SPSS in data processing reveals a tcount value of 3.109, which exceeds the ttable of 1.680. This shows that the alternative hypothesis (H_a) is accepted, which indicates a significant effect of competence (X1) on employee performance. The increase in employee competence contributes to an increase in their performance, in line with several previous studies that also emphasize the importance of competence to drive performance effectiveness in different organizational contexts (Manafe et al., 2024; Karima et al., 2022). Furthermore, the regression analysis indicated a significance value for competency of 0.003, smaller than $\alpha = 0.05$. This confirms that competency positively and significantly influences employee performance. The regression coefficient of 0.270 indicates the positive direction of the relationship, where an increase in employee competence is directly proportional to an increase in performance. Previous studies have also revealed how good competency development can increase employee productivity (Harahap et al., 2024).

From this analysis, competence positively impacts employee performance, as obtained from verified data. This finding is consistent with many existing studies, which show that competencies play an important role in achieving optimal performance in various organizational contexts. Therefore, developing employee competencies at BKPSDM Musi Rawas Regency is a strategic step to improve the effectiveness of their performance and is in line with the results of studies that have previously been conducted on similar topics (Seemiller, 2018).

Effect of Individual Characteristics (X2) on Employee Performance (Y)

Research on the effect of individual characteristics on employee performance at the Musi Rawas Regency Personnel and Human Resources Development Agency (BKPSDM) revealed significant findings. Using regression analysis, the study found a t-count value of 6.608, which is greater than the t-table of 1.680 (with $n-k=44$), indicating that the alternative hypothesis (H_a) is accepted. This finding indicates a positive and significant influence of individual characteristics on employee performance at BKPSDM. Furthermore, the significance value obtained is 0.000, which is smaller than $\alpha = 0.05$, and the regression coefficient of 0.512 indicates that an increase in individual characteristics is directly proportional to an increase in employee performance.

Individual characteristics include abilities, needs, and work experience, each contributing to achieving optimal performance. Research by Budianto & Kurniawati, (2024) supports these results by finding that individual characteristics influence employee behavior and performance. In this context, dimensions of individual characteristics, such as abilities and expectations, directly correlate with job performance (Lie et al., 2021). In line with this, other studies confirm that improving the quality of individual characteristics will lead to a significant increase in performance (Ilhami et al., 2020). Therefore, it is important for management at BKPSDM to understand and develop employees' characteristics, given their positive impact on performance (Mariska et al., 2024).

Effect of Work Environment (X3) on Employee Performance (Y)

In this study, the work environment positively and significantly influences employee performance at the Musi Rawas Regency Human Resources Staffing and Development Agency. The regression analysis results show a tcount value of 3.335, which exceeds the ttable value of 1.680, so the alternative hypothesis (H_a) is accepted, confirming the influence of the work environment (X3) on employee performance. Further analysis shows that the significance of individual characteristics is 0.002, smaller than $\alpha = 0.05$, indicating that a positive work environment significantly improves employee performance. This is reflected in the regression

coefficient value of 0.268, indicating a unidirectional relationship; the better the work environment, the higher the employee performance.

Overall, a supportive work environment not only improves individual performance but also contributes to the building of a strong and sustainable organizational culture. Employees who feel supported by their work environment are more likely to demonstrate high performance as well as contribute positively to the larger organizational goals (Sari et al., 2023).

The Effect of Competence (X1) on Employee Performance (Y) with Work Motivation as a Moderating Variable

Research focusing on work motivation moderate competence on employee performance of BKPSDM Musi Rawas Regency produced significant results in regression analysis. The findings indicate a significant interaction between competence and work motivation on employee performance, with a t-value of 3.844, higher than the t-table of 1.681. Thus, the alternative hypothesis (H_a) is accepted, which reinforces the meaning that work motivation serves as a moderator in the relationship between competence and employee performance. The measured p-value of 0.000 indicates that this result is well below the significance level of 0.05, demonstrating the strength and relevance of the related hypothesis.

This finding aligns with research by (H. Kurniawan et al., 2023), which confirmed that the interaction between competence and work motivation significantly impacts employee performance. The study confirmed that the combination of competence and motivation is an optimal predictor of employee performance. In addition, Firmansyah in Hutabarat et al., (2023) also emphasized that work motivation is an important variable that positively impacts employee performance in various organizational contexts. Therefore, it is important to develop work motivation to increase competence to achieve optimal results (Taki et al., 2023).

Furthermore, the combination of high competence and adequate work motivation supports each other in improving performance effectiveness. Employees with high motivation and adequate skills have greater potential to achieve good work results Syarif et al., (2024); Wulansari & Rahmi, (2019). Previous research shows that work motivation not only acts as an intervening variable but also as a moderator that strengthens the influence of competence on employee performance. This is in line with a study by (Suardika, 2020), which shows how work motivation can strengthen this relationship.

The Effect of Individual Characteristics (X2) on Employee Performance (Y) with Work Motivation as a Moderating Variable

This study analyzes the role of individual characteristics and work motivation in moderating employee performance at BKPSDM Musi Rawas Regency. Regression analysis conducted with SPSS software showed that the tcount value was 7.166, while the ttable was 1.681. Since tcount is greater than ttable, we accept the alternative hypothesis (H_a), which indicates a significant effect of the interaction between individual characteristics (X1) and work motivation (X2) on employee performance (Y). This finding is consistent with the study, which shows that work motivation has a positive impact on employee performance, although other studies show different results depending on the context (Hakim et al., 2021). In addition, success in influencing employee performance cannot be separated from other factors, such as discipline and leadership, which significantly impact performance (Syafitri et al., 2022). This study adds empirical evidence that work motivation improves individual performance and strengthens individual characteristics' positive influence on performance outcomes ((Zee et al., 2018). Thus, increased employee motivation implies an increased response to positive characteristics possessed by individuals, resulting in better performance in the organizational context.

Effect of Work Environment (X3) on Employee Performance (Y) with Work Motivation as a Moderating Variable

Employee performance in the local government environment, especially at the Musi Rawas Regency Personnel and Human Resources Development Agency (BKPSDM), can be influenced by work environment and motivation factors. Research using regression analysis shows a significant interaction between work environment and work motivation that has implications for employee performance, with a significance value of less than 0.05 (0.001).

CONCLUSION

Based on the results of the research that has been conducted, all hypotheses proposed in this study are accepted. First, competence is proven to significantly affect employee performance at the Musi Rawas Regency Personnel and Human Resources Development Agency (BKPSDM). This finding indicates that an increase will follow an increase in employee competence in better performance. Second, individual characteristics also have a significant positive effect on employee performance.

This means that the better the individual characteristics employees possess, the higher the level of performance that can be achieved. Third, the work environment has a significant positive effect on employee performance. This indicates that a conducive and supportive work environment will have a direct impact on improving employee performance at BKPSDM Musi Rawas Regency. Third, the results of this study also show that work motivation acts as a significant moderating variable. Work motivation can strengthen the relationship between competence and employee performance, individual characteristics and employee performance, and work environment and employee performance. Thus, the combination of competence, individual characteristics, and a good work environment, if supported by a high level of work motivation, will result in more optimal employee performance.

LIMITATION

This research makes a meaningful contribution to understanding the factors that influence employee performance at the Musi Rawas Regency Personnel and Human Resources Development Agency (BKPSDM); several limitations need to be considered. First, the scope of this research is limited to one local government agency, namely BKPSDM Musi Rawas Regency. Therefore, the findings may not be widely generalized to other agencies or regions with different organizational characteristics, work cultures, or bureaucratic structures. Second, the variables used in this study were limited to competence, individual characteristics, work environment, and work motivation. In public organizations, employee performance can also be influenced by other variables such as leadership style, reward system, organizational culture, or job satisfaction, which are not discussed in this study.

Third, the data used in this study was collected through a questionnaire survey method, which is susceptible to respondents' subjectivity bias, such as the tendency to provide answers that are considered socially sound. This may affect the validity of the data obtained. Fourth, the quantitative approach used, while providing a statistical picture of the relationship between variables, does not delve deeply into the social dynamics or context that may affect employee performance. A qualitative or mixed methods approach could be an alternative in future research to enrich understanding of the phenomenon under study. By considering these limitations, it is hoped that future research can overcome the existing shortcomings by expanding the scope of the unit of analysis, adding other relevant variables, and using a more comprehensive method approach.

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