



The Effect Of Good Bureaucracy, Internal Control, Competency Development, And Soft Skills As Efforts To Improve Staff Performance With Entity Independence As An Intervening Variable

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ABSTRACT

The organizations can leverage internal resources to enhance employee autonomy and performance, while ensuring that the organization operates more independently and effectively in achieving its goals. The study purpose to examine and analyze the effect of good bureaucracy, internal control, competency development, and soft skills on staff performance, both directly and through entity independence as a mediating variable. This study is explanatory research with a quantitative approach. The study population was all staffs of the Regional Financial and Asset Management Agency (BPKAD) of Jember Regency, and the sample was determined using a purposive sampling technique. Data analysis used the Structural Equation Modeling (SEM) method with the Partial Least Squares (PLS-SEM) approach. The results showed that good bureaucracy, competency development, and soft skills have significant effect on staff performance, while internal control insignificant effect on staff performance. Good bureaucracy, internal control, competency development, and soft skills have significant effect on entity independence. Entity independence have significant effect on staff performance. Entity independence roles as mediating in the effect of good bureaucracy, internal control, competency development, and soft skills on staff performance.

INTRODUCTION

The Regional Financial and Asset Management Agency (BPKAD) plays a strategic role in managing the financial resources and assets owned by the regional government. The Jember Regency Financial and Asset Management Agency (BPKAD) prepares a Performance Report (LAKIP). The staff performance phenomenon at the Jember Regency BPKAD is evident in the fluctuations in the achievement of several performance indicators listed in the Government

Agency Performance Report (LKIP). Although overall, BPKAD was able to maintain a WTP opinion on the financial statements and showed significant improvements in OPD compliance with accounting guidelines and the preparation of the RKA, there were several indicators that experienced a decline, such as the percentage of fixed assets with legal documentation and budget absorption compliance in certain years. This decline indicates challenges in implementing tasks at the employee level, both in maintaining consistent fixed asset documentation and in timely budget management. This fluctuation indicates the need for a more in-depth analysis of the factors influencing individual and unit performance, as well as the importance of appropriate interventions to improve employee performance and strengthen more efficient and effective regional financial management.

The staff performance is influenced by various interrelated factors, such as bureaucratic quality, internal control, competency development, and strengthening soft skills. By developing these factors, organizations can build entity independence, which in turn acts as an intervening variable that accelerates employee performance improvement. This entity independence will provide employees with the space to manage tasks more independently, increase initiative, and take responsibility for work results, thus achieving more optimal and sustainable performance.

Good bureaucracy is a crucial component in creating efficient and transparent governance, which in turn plays a role in improving organizational independence and performance. With clear procedures, accountability, and transparency within the bureaucracy, organizations can function more independently without relying on external parties, enabling faster decision-making and greater responsiveness to public needs (Rachmawati et al., 2023). Bureaucratic reform based on integrity is also crucial for creating a more efficient and corruption-free government system, which directly impacts improved public service performance (Febrina & Syamsir, 2021).

The internal control is a system designed to ensure the achievement of organizational goals and maintain the reliability of financial reporting, regulatory compliance, and operational efficiency, which directly improves organizational independence and performance (Rahadianti et al., 2023). An effective internal control system is able to identify and mitigate various risks that hinder organizational performance, enabling more independent decision-making and responsiveness to change (Ibrahim et al., 2022). Thus, strengthening internal control has a significant impact on organizational independence in facing challenges, as well as increasing effectiveness and efficiency in achieving organizational goals (Nasution et al., 2022).

Competency development is a crucial aspect in enhancing the independence and performance of both individuals and organizations. By strengthening relevant skills and knowledge, individuals can become more independent in carrying out their duties and responsibilities, as well as more efficient in making decisions that support organizational goals (Holubnycha et al., 2022). Continuous competency development ensures that individuals remain adaptable to changes in the work environment, which in turn increases productivity and innovation within the organization (Ali et al., 2021). Effective competency development programs can strengthen organizational competitiveness because individuals with higher competencies are able to provide innovative solutions to various challenges faced by the organization (Korenkova, 2023).

Soft skills, which include interpersonal skills such as communication, leadership, and teamwork, are crucial for enhancing individual independence and performance across various sectors. These skills enable individuals to interact more effectively in the workplace, adapt to change, and solve problems in innovative and efficient ways (Kumar et al., 2022). Mastery of soft skills also contributes to improved performance by helping individuals manage time, communicate effectively, and work collaboratively with colleagues (Rosi, 2023). Therefore, investing in soft skills development is key to achieving professional independence and improving overall performance (Samosir & Hidayat, 2023).

Several studies have shown conflicting results, which is a pressing issue for this research. Research by Dziergas et al. (2023) showed that although soft skills are important, there is no significant relationship with employee performance in the forestry sector (Dziergas et al., 2023). Similarly, research by Karthick & Kanakaraj (2021) showed that although emotional intelligence influences employee relationships, there is no significant direct effect on job performance (Karthick & Kanakaraj, 2021). Furthermore, Shillie & Nchang (2023) found that soft skills are indeed relevant, but have only a minimal effect on job performance when compared to other factors such as emotional intelligence and teamwork (Shillie & Nchang, 2023b). Research by Rodrigues & Dias (2024) revealed that soft skills can influence career development, but the relationship is not significant when performance appraisal is considered as a mediating variable (Rodrigues & Dias, 2024). Finally, Namora et al. (2023) stated that although soft skills influence employee performance, the influence is not significant when compared to hard skills (Namora et al., 2023).

This study offers novelty by adopting the Resource-Based View (RBV) theory as a grand theory, which emphasizes the importance of internal resources as the key to achieving sustainable competitive advantage in organizations. In this context, this study introduces entity independence as a mediating variable, which serves as a link between factors such as good bureaucracy, internal control, competency development, and soft skills towards improving employee performance. By examining entity independence as a mediator, this study provides a new perspective on how organizations can utilize internal resources to improve employee autonomy and performance, while ensuring that the organization operates more independently and effectively in achieving its goals. Referring to the description of the background of the problem and the research gap, this study aims to analyze the influence of good bureaucracy, internal control, competency development, and soft skills on employee performance, both directly and through entity independence as a mediating variable.

LITERATURE REVIEW

Employee performance is the level of work results achieved by an individual in carrying out tasks assigned by the organization. Employee performance reflects how effectively an individual can use their skills, knowledge, and abilities to achieve organizational goals (Mardiani & Chandra, 2022). In general, employee performance is measured based on various indicators, such as productivity, work quality, reliability, and time efficiency in completing assigned tasks (Triansyah et al., 2023). A high level of performance not only impacts the achievement of organizational goals but also positively influences individual motivation and job satisfaction (Karoso et al., 2022).

Entity independence refers to an organization's ability to operate autonomously without excessive dependence on external parties for decision-making and resource management. Organizations with a high degree of independence can manage resources efficiently, make objective decisions, and respond to change more quickly and effectively (Murillo-Zamora, 2021). In this context, entity independence also includes the organization's freedom to set internal policies without external influences that could disrupt the organization's sustainability and goals (Setiawan et al., 2023). With this independence, organizations can increase their competitiveness by having greater control over the decision-making process and strategic direction (Shavaleeva, 2024).

High entity independence directly contributes to employee performance because independent organizations can manage resources and make decisions more efficiently. When entities can operate without excessive reliance on external parties, they have greater flexibility in providing better support to employees, creating a conducive work environment, and reducing potential external disruptions (Murillo-Zamora, 2021). Independent organizations tend to have

strong internal systems that can encourage employees to perform optimally, reduce reliance on external resources, and increase their productivity (Setiawan et al., 2023).

Good bureaucracy refers to an efficient and effective public administration organization that ensures service delivery in a transparent, accountable, and responsive manner. The concept of good bureaucracy emphasizes the importance of clear structures, roles, and processes to facilitate optimal decision-making and service delivery, while reducing inefficiency and corruption (Zein, 2023). A well-structured bureaucracy is crucial for achieving good governance, as it ensures that policies can be implemented efficiently and in accordance with the law (Sudrajat, 2021). The implementation of bureaucratic reforms in various countries has demonstrated that a strong governance system, rooted in good bureaucratic practices, can result in more effective service delivery and increase public trust in government institutions (Dwiyanto, 2021).

Good bureaucracy is a crucial element in determining organizational performance because it influences operational effectiveness and efficiency (Zein, 2023). A good bureaucracy, with a clear structure, documented rules, and competent management, supports employees to function more optimally in achieving organizational goals (Weber, 1966). According to good governance theory, an efficient bureaucratic system allows every individual in the organization to work according to existing rules, reducing inefficiencies and increasing transparency in decision-making that directly impacts employee performance (Mangla, 2022).

Internal control refers to an internal auditor's capacity to perform their duties without external influence that could compromise the objectivity and integrity of the audit report. This control is crucial to ensuring that audit results are reliable, neutral, and unaffected by pressure from management or other external parties (Zai et al., 2024). Research shows that even though internal auditors operate within a higher organizational structure, they still require independence to maintain audit quality and ensure accountability within the organization (Ritonga, 2024).

Internal control is a system that ensures that an organization's operations run effectively and avoid abuse of authority (COSO, 2021). Research shows that strong internal control can improve employee performance by providing a clear framework for monitoring and managing risk within the organization (Zai et al., 2024). A strong control system allows for closer oversight of employee performance and helps the organization achieve its goals more efficiently (Ritonga, 2024).

Competency development is a crucial process for enhancing individual abilities and skills to meet challenges and achieve organizational goals. Competency can be described as a specific set of abilities and skills possessed by an individual to overcome obstacles and achieve organizational goals (Karpagam & Sujatha, 2020). Competency development involves continuous learning and training to ensure employees can adapt to changing needs and evolving technologies (Jacobs, 2019).

Competency development is crucial for improving employee performance, as competencies encompass the skills and abilities needed to meet job challenges (Karpagam & Sujatha, 2020). Research shows that competency training and development can improve employees' ability to perform their tasks more effectively, which has a direct impact on organizational performance (Ali et al., 2021). Continuously developing competencies enables employees to adapt to changing needs and dynamic technology (Jacobs, 2019).

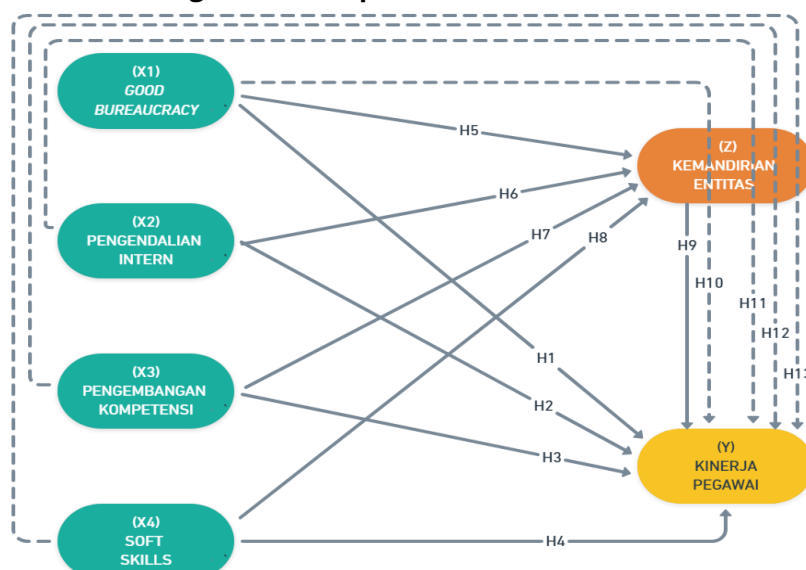
Soft skills are non-technical skills that are crucial for personal and professional success in today's workplace. These skills include communication, teamwork, problem-solving, leadership, emotional intelligence, and time management, enabling individuals to interact effectively with others (Marin-Zapata et al., 2022). Research shows that employers increasingly value these skills because they complement technical skills, enabling employees to collaborate efficiently and contribute positively to organizational success (Lamri & Lubart, 2023). Research shows that effective communication and emotional intelligence are crucial for building strong professional

relationships and maintaining harmony in the workplace (Kumar et al., 2022). Furthermore, soft skills are crucial in competitive industries like tourism, where the ability to communicate and manage interpersonal relationships can determine career success more than technical skills alone (Moura et al., 2021).

Soft skills, such as communication, teamwork, and emotional intelligence, play a crucial role in improving employee performance (Marin-Zapata et al., 2022). Research shows that soft skills can support employees in interacting with coworkers, superiors, and clients, which in turn improves productivity and work quality (Lamri & Lubart, 2023). These skills enable employees to manage interpersonal relationships more effectively, which is essential for creating a harmonious work environment and supporting optimal performance (Kumar et al., 2022).

Conceptual Framework

Figure 1 Conceptual Framework



METHODS

This research is explanatory research with a quantitative descriptive approach. The population was all 61 employees working at the Regional Financial and Asset Management Agency (BPKAD) of Jember Regency. The sample used a purposive sampling technique with 59 respondents.

The study used independent variables, dependent variables, and intervening variables. The independent variables consisted of good bureaucracy, internal control, competency development, and soft skills. The mediating variable was entity independence. The dependent variable was employee performance.

Data analysis was conducted using the Structural Equation Modeling (SEM) method with the Partial Least Squares (PLS-SEM) approach. SmartPLS 4 software was used for analysis purposes.

RESULTS

Outer Model Result

The outer model measures the relationship between indicators (manifest variables) and the construct or latent variable that is the focus of this study. The validity test results are presented in Table 1.

Table 1. Validity Test Results

	Original Sample	T Statistics	P values
X1.1 <- Good Bureaucracy (X1)	0.783	12.743	0.000
X1.2 <- Good Bureaucracy (X1)	0.613	4.085	0.000
X1.3 <- Good Bureaucracy (X1)	0.902	36.870	0.000
X1.4 <- Good Bureaucracy (X1)	0.669	7.257	0.000
X1.5 <- Good Bureaucracy (X1)	0.523	3.488	0.000
X2.1 <- Internal Control (X2)	0.699	8.611	0.000
X2.2 <- Internal Control (X2)	0.717	8.968	0.000
X2.3 <- Internal Control (X2)	0.844	26.922	0.000
X2.4 <- Internal Control (X2)	0.695	8.548	0.000
X2.5 <- Internal Control (X2)	0.705	6.833	0.000
X3.1 <- Competecy Development (X3)	0.733	11.100	0.000
X3.2 <- Competecy Development (X3)	0.792	17.728	0.000
X3.3 <- Competecy Development (X3)	0.731	8.146	0.000
X3.4 <- Competecy Development (X3)	0.802	17.072	0.000
X3.5 <- Competecy Development (X3)	0.550	4.318	0.000
X4.1 <- Soft Skills (X4)	0.693	10.454	0.000
X4.2 <- Soft Skills (X4)	0.680	6.759	0.000
X4.3 <- Soft Skills (X4)	0.771	11.794	0.000
X4.4 <- Soft Skills (X4)	0.770	12.596	0.000
X4.5 <- Soft Skills (X4)	0.767	14.699	0.000
X4.6 <- Soft Skills (X4)	0.431	2.900	0.004
Y1.1 <- Staff Performance (Y)	0.878	30.910	0.000
Y1.2 <- Staff Performance (Y)	0.804	14.293	0.000
Y1.3 <- Staff Performance (Y)	0.903	33.297	0.000
Y1.4 <- Staff Performance (Y)	0.519	4.560	0.000
Z1.1 <- Entity Independence (Z)	0.896	38.707	0.000
Z1.2 <- Entity Independence (Z)	0.838	14.471	0.000
Z1.3 <- Entity Independence (Z)	0.724	11.832	0.000

Source: Data processed in 2025

Table 1 presents the outer loading results for each indicator measuring the latent variables in this study. All indicators showed significant results, with T-statistics greater than 2.00 and P-values well below 0.05.

Table 2. Reliability Test Results

Variable	AVE	Rho_c	Rho_a	CA
Good Bureaucracy (X1)	0.504	0.831	0.788	0.744
Entity Independence (Z)	0.676	0.862	0.769	0.756
Staff Performance (Y)	0.626	0.865	0.833	0.786
Competecy Development (X3)	0.529	0.847	0.801	0.776
Internal control (X2)	0.539	0.853	0.796	0.789
Soft Skills (X4)	0.484	0.845	0.803	0.781

Source: Data processed in 2025

The reliability test results for each latent variable included the average variance extracted (AVE), Rho_c, Rho_a, and Cronbach's alpha (CA). All results met the specified criteria, indicating adequate reliability for each variable.

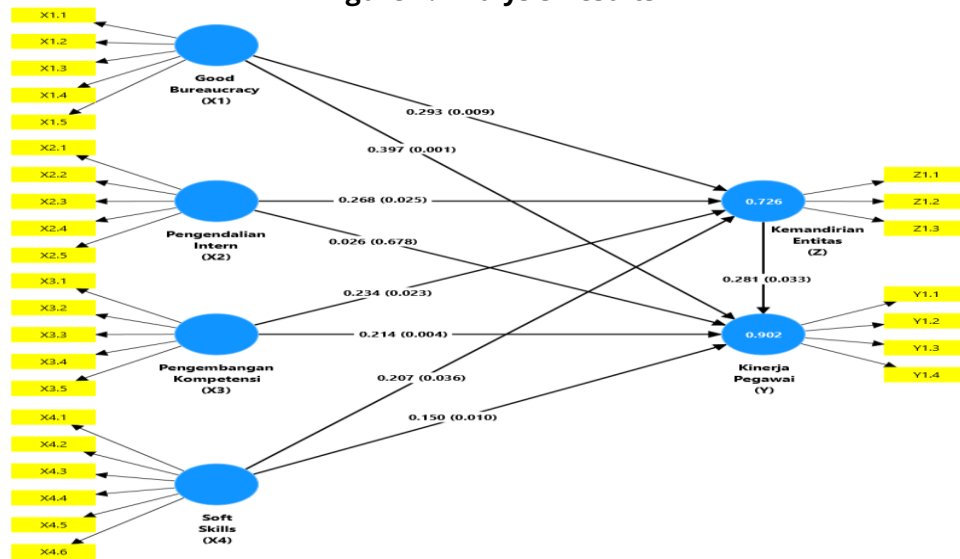
Table 3. Research Model Test

Indicator	Saturated model	Estimated model	Description
SRMR	0.045	0.045	<0.08
d_ ULS	0.841	0.841	<1.00
d_ G	0.458	0.458	<1.00
NFI	0.600	0.600	>0.09

Source: Data processed in 2025

The results of the model fit test show that the model built in this study has a very good fit with the data used.

Figure 2. Analysis Results



Source: Data processed in 2025

The coefficient values of the direct and indirect influence paths can be seen in Table 4.

Table 4. Direct Effect

	Original sample (O)	T statistics (O/STDEV)	P values
Good Bureaucracy (X1) -> Entity Independence (Z)	0.293	2.604	0.009
Good Bureaucracy (X1) -> Staff Performance (Y)	0.397	3.302	0.001
Entity Independence (Z) -> Staff Performance (Y)	0.281	2.128	0.033
Competency Development (X3) -> Entity Independence (Z)	0.234	2.267	0.023
Competency Development (X3) -> Staff Performance (Y)	0.214	2.907	0.004
Internal control (X2) -> Entity Independence (Z)	0.268	2.236	0.025
Internal control (X2) -> Staff Performance (Y)	0.026	0.416	0.678
Soft Skills (X4) -> Entity Independence (Z)	0.207	2.094	0.036
Soft Skills (X4) -> Staff Performance (Y)	0.150	2.568	0.010

Source: Data processed in 2025

The results of the direct influence test show that good bureaucracy, Competency Development, and soft skills have a significant effect on Staff Performance, while internal control does not have a significant effect on Staff Performance. Good bureaucracy, internal control, Competency Development, and soft skills have a significant effect on Entity Independence. Entity Independence has a significant effect on Staff Performance.

Table 5. Indirect Effect

	Original sample (O)	T statistics (O/STDEV)	P values
Good Bureaucracy (X1) -> Entity Independence (Z) -> Staff Performance (Y)	0.124	1.562	0.045
Competecy Development (X3) -> Entity Independence (Z) -> Staff Performance (Y)	0.157	1.305	0.043
Internal control (X2) -> Entity Independence (Z) -> Staff Performance (Y)	0.110	1.288	0.049
Soft Skills (X4) -> Entity Independence (Z) -> Staff Performance (Y)	0.164	1.427	0.034

Source: Data processed in 2025

The results of the indirect effect test, which examined the mediating role of Entity Independence, revealed that Entity Independence acted as a mediator in the influence of good bureaucracy, internal control, Competecy Development, and soft skills on Staff Performance.

DISCUSSION

The results of the inner model analysis formed the basis for testing the research hypotheses, the overall results of which are summarized in Table 5 below.

Table 6. Summary of Hypothesis Tests

No	Hypothesis	Conclusion
1	H1: Good bureaucracy has a positive and significant effect on Staff Performance	Accepted
2	H2: Internal control has a positive and significant effect on Staff Performance	Rejected
3	H3: Competecy Development has a positive and significant effect on Staff Performance	Accepted
4	H4: Soft skills has a positive and significant effect on Staff Performance	Accepted
5	H5: Good bureaucracy has a positive and significant effect on Entity Independence	Accepted
6	H6: Internal control has a positive and significant effect on Entity Independence	Accepted
7	H7: Competecy Development has a positive and significant effect on Entity Independence	Accepted
8	H8: Soft skills has a positive and significant effect on Entity Independence	Accepted
9	H9: Entity Independence has a positive and significant effect on Staff Performance	Accepted
10	H10: Good bureaucracy has a positive and significant effect on Staff Performance through Entity Independence	Accepted
11	H11: Internal control has a positive and significant effect on Staff Performance through Entity Independence	Accepted
12	H12: Competecy Development has a positive and significant effect on Staff Performance through Entity Independence	Accepted
13	H13: Soft skills has a positive and significant effect on Staff Performance through Entity Independence	Accepted

Source: Data processed in 2025

The Effect of Good Bureaucracy on Staff Performance

The effect of good bureaucracy on staff performance at the Regional Financial and Asset Management Agency (BPKAD) of Jember Regency shows significant and positive results. As explained by Weber (1966), the concept of good bureaucracy involves a clear organizational structure, well-documented rules, and high managerial dedication, all of which contribute to increased efficiency and effectiveness in public services. The implementation of good bureaucracy, which prioritizes transparency and accountability, can create a work environment that supports the achievement of organizational goals (Dwiyanto, 2021).

Overall, the results of this study indicate that the implementation of good bureaucracy can be key to improving staff performance at the Jember Regency BPKAD, by strengthening the organizational structure, improving resource management, and facilitating faster and more accurate decision-making. Therefore, the Jember Regency BPKAD needs to continue optimizing their bureaucratic system to achieve better and more sustainable performance, while ensuring that every employee has a clear understanding of the procedures and their role within the organization.

The Effect of Internal Control on Staff Performance

The analysis results indicate that internal control does not significantly effect staff performance. Internal control does not have a significant direct impact on staff performance. Internal control is a system used by an organization to ensure that operational activities run efficiently and effectively, and that resources are properly managed to prevent misuse (COSO, 2021). Strong internal control can improve transparency, accountability, and mitigate risks that could harm the organization (Zai et al., 2024). However, in this study, despite the important role of internal control in the organizational structure, there was no strong evidence that it directly impacted staff performance at the Jember Regency BPKAD. One possible reason is a lack of understanding and awareness among employees of the importance of internal control in supporting their performance.

Although internal control plays an important role in increasing transparency and efficiency, the results of this study indicate that other factors directly related to employee competency, such as training, Competency Development, and employee empowerment through strengthening soft skills, may be more influential in improving Staff Performance. Therefore, improvements in the implementation of more comprehensive internal control, including increasing employee understanding and training on the importance of internal control, are expected to have a more significant impact on Staff Performance in the future.

The Effect of Competency Development on Staff Performance

Competency development is one of the main factors that can effect staff performance. Research shows a positive and significant impact on staff performance at the Jember Regency Regional Development Planning Agency (BPKAD). This aligns with the Resource-Based View (RBV) theory, which states that the competencies possessed by human resources within an organization can become a sustainable competitive advantage (Barney, 1991). Continuously developing employee competencies enable them to face challenging tasks more efficiently, increase their effectiveness at work, and ultimately improve organizational performance.

Competency development plays a crucial role in ensuring employees can better manage regional financial and asset management tasks. The success of efficient financial and asset management relies heavily on the technical skills and knowledge possessed by employees. With higher competency, employees can solve more complex problems and make more informed decisions, which in turn improves their performance. For example, competency development in financial reporting management and asset control can support increased accountability and transparency, which aligns with the BPKAD's goal of maintaining an unqualified opinion on financial reports.

The Effect of Soft Skills on Staff Performance

Soft skills, which include interpersonal skills such as communication, teamwork, and emotional intelligence, have a significant impact on staff performance at the Regional Financial and Asset Management Agency (BPKAD) of Jember Regency. Improving employees' interpersonal skills is directly related to the quality and productivity of their work. Soft skills enable employees to interact effectively with coworkers, superiors, and other relevant parties, which in turn can affect the quality of their work output in carrying out their assigned tasks.

This research is consistent with the Resource-Based View (RBV) theory, which emphasizes the importance of managing internal resources within an organization as a key to achieving sustainable competitive advantage. In this context, soft skills can be viewed as a strategic resource that supports staff performance and the organization as a whole. Good soft skills development enables employees to adapt to a dynamic work environment, enhances team collaboration capabilities, and strengthens effective communication at every level of the organization. Therefore, soft skills are a crucial asset in improving the effectiveness of financial and regional asset management at the Jember Regency Regional Financial and Asset Management Agency (BPKAD).

The Effect of Entity Independence on Staff Performance

Entity Independence, measured as an organization's ability to operate autonomously without relying on external parties, significantly impacted Staff Performance at the Jember Regency Regional Financial and Asset Management Agency (BPKAD). This effect indicates that the more independent an entity is, the greater its ability to provide employees with the space to manage their tasks more independently, ultimately improving Staff Performance.

The Resource-Based View (RBV) theory provides a strong foundation for explaining this relationship. According to the RBV, an organization's internal resources, including independence in decision-making and resource management, are crucial factors that can provide a competitive advantage. In the context of the Jember Regency Regional Development Planning Agency (BPKAD), entity independence serves as an element that strengthens the organization's competitiveness and capacity to act efficiently in managing regional finances and assets. This independence allows employees to focus more on their tasks without having to rely too much on external interventions that can hinder work processes.

The Effect of Internal Control on Entity Independence

Effective internal control plays a crucial role in ensuring that an organization operates efficiently, in a structured, and transparent manner. This study found that internal control has a significant positive impact on Entity Independence. Good internal control helps an entity manage resources more efficiently and allows it to make decisions without relying on external effects. This aligns with the theory put forward by COSO (2021), which emphasizes the importance of an internal control system that can maintain and enhance organizational independence.

Entity Independence, which refers to an organization's ability to operate autonomously, is significantly affected by how well internal controls are implemented. Good controls ensure that decisions are made based on clear and transparent internal policies, unaffected by external pressures. Research by Tanjung & Sonia (2021) shows that a strong internal control system directly improves Entity Independence in decision-making. This finding is further supported by research by Manik & Nafsiah (2023), who found that effective internal controls support organizations in better managing risks and resources.

The Effect of Competency Development on Entity Independence

Competency development has a significant impact on entity independence. Strong competencies enable employees to manage their tasks more efficiently and independently, which in turn strengthens organizational independence. This study found that competency

development directly impacts entity independence, which aligns with findings from Yunanti (2020), who revealed that training and continuing education improve employees' ability to manage their tasks without relying on external parties.

Competency development also serves to enhance independent decision-making, which is crucial in the context of resource management within an entity. Employees who possess skills and knowledge relevant to their tasks are better able to make sound and timely decisions without relying on external direction. This strengthens entity independence in addressing issues and challenges that arise within the organization.

The Effect of Soft Skills on Entity Independence

Soft skills play a crucial role in building Entity Independence. Interpersonal skills such as communication, teamwork, and emotional intelligence enable employees to work more independently within an organization. The findings of this study indicate that soft skills have a positive effect on Entity Independence, aligning with research by Shillie & Nchang (2023), which emphasized that strong interpersonal skills can strengthen employee and organizational independence. Soft skills help employees interact more effectively with coworkers, superiors, and clients, strengthening internal relationships and supporting better resource management.

Developing soft skills not only impacts relationships between employees but also plays a role in creating a more harmonious and productive work environment. Employees with strong communication skills and high emotional intelligence are better able to adapt to change and work independently in the face of challenges. In this regard, soft skills are a crucial factor in increasing organizational independence, as employees with strong interpersonal skills can work more efficiently and effectively without relying on external parties.

The Effect of Entity Independence on Staff Performance

Entity independence has been shown to have a significant positive effect on staff performance, with findings indicating that independent organizations can provide employees with the space to work more efficiently. As an independent entity, the Jember Regency BPKAD has greater control over internal policies and procedures, allowing employees to perform their duties better and more productively. This aligns with the theory proposed by Setiawan et al. (2023), which explains that independent organizations have the freedom to make decisions that are more responsive to internal needs, which in turn improves staff performance.

Entity independence allows employees to work in a more stable and structured environment, without dependence on external parties. With more autonomous management, the Regional Development Planning Agency (BPKAD) can strengthen employees' abilities to complete their tasks more efficiently, which directly contributes to improved staff performance. Research by Rachmad et al. (2024) shows that more independent organizations tend to have better systems in place to support staff performance, which creates a conducive work environment.

The Influence of Good Bureaucracy on Employee Performance through Entity Independence

Good bureaucracy plays a very important role in improving employee performance, both directly and through entity independence. This study shows that a good bureaucratic structure has a positive effect on employee performance, both directly and through increased entity independence. As explained by Weber (1966), good bureaucracy creates a clear and structured system that enables efficient, transparent, and accountable decision-making. This creates space for employees to work more independently, without relying too much on external influences, which ultimately leads to improved performance.

Based on these findings, the BPKAD of Jember Regency can strengthen its performance by improving the quality and effectiveness of its internal bureaucratic structure. By clarifying

applicable procedures and rules, and ensuring that managers and employees have easy and clear access to the necessary information, the organisation will be able to accelerate decision-making and improve operational efficiency. This, in turn, will enable employees to work more productively and commit to the organisation's goals.

The Influence of Internal Control on Employee Performance through Entity Independence

Strong internal control serves as an important mediator in improving employee performance. This study found that internal control has a positive effect on employee performance, both directly and through entity independence. As explained by COSO (2021), good internal control provides a clear structure for risk oversight and management, which ultimately contributes to improved employee performance. Effective control enables organisations to maintain transparency and accountability in every process carried out, which also positively influences employee performance.

The Influence of Competency Development on Employee Performance through Entity Independence

Competency development plays an important role in improving employee performance, both directly and through its influence on entity independence. This study shows that competency development through training and continuing education can improve employees' ability to perform their duties more effectively, contributing to an improvement in overall organisational performance. As explained by Jacobs (2019), well-developed competencies enable employees to be more independent in facing work challenges, which in turn leads to improved performance.

The Influence of Soft Skills on Employee Performance through Entity Independence

Soft skills play a very important role in improving employee performance, both directly and through their influence on entity independence. Soft skills, such as communication, leadership, teamwork, and emotional intelligence, influence how employees interact with colleagues, superiors, and clients, which ultimately contributes to productivity and work quality. This study shows that mastering soft skills can significantly improve employee performance, both in facing challenges at work and in collaborating with their colleagues.

CONCLUSION

Based on the research results, it was concluded that good bureaucracy, Competency Development, and soft skills have a significant effect on Staff Performance, while internal control does not have a significant effect on Staff Performance. Good bureaucracy, internal control, Competency Development, and soft skills have a significant effect on Entity Independence. Entity Independence has a significant effect on Staff Performance. Entity Independence plays a mediating role in the effect of good bureaucracy, internal control, Competency Development, and soft skills on Staff Performance.

Based on the findings of this study, the practical implications relate to aspects that contribute to improving staff performance, including good bureaucracy, internal control, competency development, and soft skills. Policymakers should consider all of these aspects to achieve better and more sustainable performance.

Further research should utilize a direct observational approach and conduct in-depth research to assess staff performance. Additionally, other variables such as organizational culture, organizational citizenship behavior, and others could be included to obtain more robust findings in explaining staff performance.

LIMITATION

The limitations of this study include sample size, the cross-sectional nature of this study, variable measurement, and limitations in other aspects.

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