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Work Motivation and Soft Skill Training on Employee Performance: The Mediating Role of Competence

E. Anisa Safa'at Derajat Syah[1]*, Fauji Sanusi[2], Ali Imron[3]
[1-3]Master of Management Program, Faculty of Economics and Business, Universitas Sultan Ageng Tirtayasa, Serang, Indonesia
E-mail: [1*)]sdsanisa@gmail.com , [2)]fauji.sanusi@untirta.ac.id, [3)]ali.imron@untirta.ac.id

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Abstract

Despite bureaucratic reform initiatives, Indonesian public sector organizations continue to face persistent challenges in employee performance. This study examines how work motivation and soft skill training influence performance through competence mediation at DP3AKB Banten Province. Census data from 134 civil servants were analyzed using SEM-PLS to test direct and indirect relationships. Results confirm all hypothesized effects: work motivation significantly affects performance (β=0.173, p=0.029) and competence (β=0.203, p=0.002); soft skill training demonstrates stronger effects on performance (β=0.400, p=0.006) and competence (β=0.769, p<0.001); competence significantly influences performance (β=0.424, p<0.001). Critically, competence partially mediates both relationships, channeling 33.2% of motivation's effect and 44.9% of training's effect on performance through the capability development pathway. The model achieves exceptional explanatory power (R^2=93.7% for performance, R^2=90.1% for competence) and predictive relevance (Q^2>0.70). Integrating Self-Determination Theory, Human Capital Theory, and Resource-Based View, findings reveal competence as a key mechanism transforming motivational resources and training investments into performance outcomes. Public organizations should implement integrated HRM systems prioritizing competence-based training design, systematic competency assessment, and frameworks linking motivation programs with capability development for sustainable performance improvement.

Keywords: ***Competence; Employee Performance; Public Sector Indonesia; Soft Skill Training; Work Motivation.***

1. INTRODUCTION

Human resources represent the most critical asset in public sector organizations, where employee performance directly determines service quality, bureaucratic effectiveness, and public trust (Noe et al., 2023). In Indonesia, the government has initiated comprehensive bureaucratic reform programs aimed at enhancing public service delivery and organizational performance. However, despite significant policy interventions and resource allocations, many government agencies continue to face persistent challenges in achieving optimal employee performance levels (Ministry of Administrative and Bureaucratic Reform, 2024).

The Office of Women's Empowerment, Child Protection, Population Control, and Family Planning (DP3AKB) of Banten Province exemplifies these challenges. According to

the 2023 Government Agency Performance Report (LAKIP), DP3AKB Banten demonstrated several performance gaps: the Gender Development Index achieved only 96.3% of the target (69.8 vs. the target 72.5), violence against women and children case handling reached 87.2% (below 95% target), and the service quality index scored 78.4 out of 85 targets. These gaps indicate underlying human resource management issues requiring systematic investigation.

Employee performance in public organizations is influenced by multiple factors, with work motivation and training programs being extensively studied determinants (Aguinis & Kraiger, 2020; Salas et al., 2020). Work motivation reflects internal and external forces driving employees to perform optimally, while soft skill training develops interpersonal, communication, and adaptive capabilities essential for public service delivery (Cerasoli et al., 2022; Grossman & Salas, 2021). However, empirical evidence regarding these relationships remains inconsistent, particularly in public sector contexts characterized by bureaucratic structures and limited performance-based incentives.

Despite extensive research on motivation and training effects on performance, several critical gaps persist. First, empirical inconsistency exists where studies show contradictory findings regarding the effect on performance in the public sector. For instance, Maulana (2025) and Nugroho et al. (2025) found non-significant effects, while Manzoor et al. (2021) and Kuvaas et al. (2021) reported strong positive effects. Similarly, research on soft skill training effectiveness demonstrates mixed results, where Widiyanti and Nabella (2023) found significant positive effects, whereas Yuliani (2020) reported non-significant outcomes.

Second, a theoretical mechanism gap exists as most studies examine direct effects without explaining the underlying mechanism. How do motivation and training actually translate into performance improvement? What intermediate process occurs? This study addresses this by positioning competence as the mediating mechanism, arguing that motivation and training must first develop employee competence before affecting performance. Third, context-specific gap exists with limited research examining these relationships in Indonesian public sector organizations, particularly in specialized agencies like DP3AKB dealing with gender empowerment, child protection, and family planning contexts requiring unique combinations of technical knowledge, interpersonal skills, and sociocultural sensitivity.

This study makes three novel contributions. First, an integrated mediating model where, unlike previous studies examining partial relationships, this study simultaneously tests direct and indirect effects through competence mediation, providing a comprehensive understanding of performance improvement mechanisms. Second, the public sector context focuses specifically on DP3AKB Banten, an organization with unique characteristics and challenges, contributing to the limited literature on Indonesian public sector HRM. Third, methodological rigor employing the census method with the complete population (134

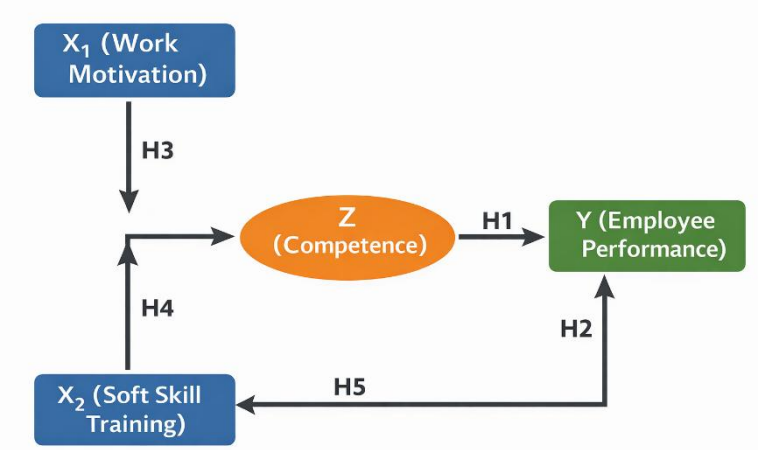
employees) and SEM-PLS analysis, ensuring robust statistical conclusions and eliminating sampling bias. This study aims to: (1) analyze the effect of work motivation on employee performance; (2) examine the effect of soft skill training on employee performance; (3) investigate the effect of work motivation on employee competence; (4) assess the effect of soft skill training on employee competence; (5) determine the effect of competence on employee performance; (6) test competence as mediator between work motivation and performance; (7) test competence as mediator between soft skill training and performance.

This study integrates three complementary theories. Self-Determination Theory (SDT) by Deci and Ryan (2020) explains motivation through intrinsic (internal satisfaction, interest) and extrinsic (external rewards, recognition) dimensions. In public sectors, intrinsic motivation driven by public service values and meaningful work often proves more sustainable than extrinsic rewards. SDT posits that competence is a basic psychological need where feeling competent enhances intrinsic motivation and subsequent performance. Human Capital Theory (HCT) views training as a strategic investment increasing employees' productive capacity through enhanced knowledge, skills, and attitudes (Strober & Weinberg, 2022). Soft skill training specifically develops behavioral competencies, including communication, teamwork, adaptability, and problem-solving, crucial in public service organizations where employees interact with diverse stakeholders. HCT predicts that training investments yield performance returns when successfully internalized as competencies. Resource-Based View (RBV) positions employee competence as a valuable organizational resource difficult to imitate and capable of generating sustainable competitive advantage (Barney & Mackey, 2023). Competent employees constitute strategic assets enabling organizations to adapt, innovate, and deliver superior services.

Based on this theoretical framework, seven hypotheses are developed. H1: Work motivation positively affects employee performance. Motivated employees demonstrate higher commitment, persistence, and work quality (Manzoor et al., 2021). Cerasoli et al. (2022) found that intrinsically motivated employees exhibited 34% better performance. In the public sector, motivation enhances service orientation and problem-solving initiative. H2: Soft skill training positively affects employee performance. Well-designed soft skill programs enhance interpersonal capabilities essential for performance (Tharenou et al., 2023). Salas et al. (2020) found that soft skill training increased contextual performance by 35%. H3: Work motivation positively affects employee competence. SDT suggests motivated individuals actively seek learning opportunities (Deci & Ryan, 2020). Huang et al. (2023) found that employees with high intrinsic motivation developed competencies 2.3 times faster. H4: Soft skill training positively affects employee competence. HCT posits that training directly enhances competence through knowledge structures and skill automatization (Grossman & Salas, 2021). H5: Competence positively affects employee performance. RBV emphasizes competence as a strategic resource contributing to

effectiveness (Barney & Mackey, 2023). Scherbaum et al. (2024) found that competence explained 52% performance variance. H6-H7: Competence mediates relationships. Wright and McMahan (2022) demonstrated that competence functions as a mechanism transforming motivational resources into performance outcomes. Blume et al. (2024) found that combined motivation and training increased competence 68%, correlating 0.72 with performance improvement.

Figure 1. Research Model



Note: X_1 = Work Motivation, X_2 = Soft Skill Training, Z = Competence, Y = Employee Performance. Source: Developed for this study (2025)

2. RESEARCH METHOD

This study employed a quantitative approach with an explanatory research design aimed at testing causal relationships between variables through hypothesis testing (Sekaran & Bougie, 2019). The research was conducted at the Office of Women's Empowerment, Child Protection, Population Control, and Family Planning (DP3AKB) of Banten Province, Indonesia, during November 2024 – January 2025. DP3AKB Banten was selected based on: (1) Strategic organizational role in sensitive public services requiring high employee competence; (2) Documented performance gaps in 2023 LAKIP requiring investigation; (3) Accessibility and institutional support for academic research; (4) Representativeness as a typical provincial-level public agency facing similar HRM challenges nationwide.

The population consisted of all 134 permanent employees of DP3AKB Banten Province. The census method (complete enumeration of the entire population) was used. Given a manageable population size and aiming for a comprehensive organizational diagnosis, a census eliminates sampling error and enhances statistical power (Hair et al., 2022). A 100% response rate was achieved (134/134) through systematic data collection, including direct distribution during staff meetings, coordinator follow-ups, and a two-week collection period, ensuring all employees participated.

Variables were operationalized based on established literature and adapted to the Indonesian public sector context. Work Motivation (X_1) was defined as internal and external forces driving employee behavior toward goal achievement, measured through intrinsic and extrinsic motivation dimensions with five indicators: persistence and diligence, work engagement and enthusiasm, organizational commitment, responsibility and discipline, and initiative and creativity (Cerasoli et al., 2022; Kuvaas et al., 2021). Soft Skill Training (X_2) was defined as perceived effectiveness of training programs in enhancing interpersonal and cognitive capabilities, measured through training quality and transfer dimensions with five indicators: communication skills enhancement, teamwork and collaboration improvement, emotional management and professional attitude, problem-solving and critical thinking, and adaptability to change (Tharenou et al., 2023; Blume et al., 2024). Competence (Z) was defined as combination of knowledge, skills, and attitudes enabling effective task performance, measured through technical, managerial, and sociocultural dimensions with five indicators: job-relevant technical knowledge, work skills and technical capabilities, analytical and problem-solving abilities, communication and teamwork skills, and professional attitude and ethics (Campion et al., 2020; Wright & McMahan, 2022). Employee Performance (Y) was defined as achievement of work results in quality, quantity, timeliness, and work behavior, measured through task and contextual performance dimensions with five indicators: work quality, work quantity/productivity, timeliness, responsibility and reliability, and innovation and initiative (Pradhan & Jena, 2019; Sutrisno & Sudarma, 2023).

Data were collected using structured questionnaire with three sections: Section A contained respondent characteristics (8 items: gender, age, education, tenure, position type, working unit, employment status); Section B contained variable measurements (20 items total: 5 items per variable measured on 10-point Likert scale where 1=Strongly Disagree to 10=Strongly Agree); Section C contained open-ended questions (4 qualitative questions per variable providing contextual insights). The instrument development process included: (1) Initial item pool generated from literature review; (2) Content validity assessed by two HRM professors and one senior DP3AKB manager; (3) Pilot test conducted with 30 employees separate from main study; (4) Reliability analysis showed Cronbach's Alpha: Work Motivation=0.872, Soft Skill Training=0.939, Competence=0.933, Performance=0.921; (5) Final instrument validated and ready for main data collection. Research was approved by the institutional ethics committee, with participants providing informed consent, anonymity guaranteed, and participation voluntary.

Data collection was conducted November 15-30, 2024 through: (1) Official permission secured from DP3AKB Head; (2) Coordination meetings with unit heads explaining research purpose; (3) Direct distribution during monthly staff meetings ensuring personal explanation; (4) Digital backup via Google Forms for employees unable to attend meetings;

(5) Follow-up reminders through unit coordinators; (6) Quality checks conducted upon return. Common Method Bias (CMB) was mitigated through: (1) Procedural remedies ensuring respondent anonymity, placing dependent and independent variables in different questionnaire sections, and counterbalancing question order; (2) Statistical remedies conducting Harman's single-factor test with results showing first factor explaining <50% variance (37.2%), indicating CMB not severe concern; (3) Marker variable technique including theoretically unrelated variable as statistical control.

Analysis employed Structural Equation Modeling with Partial Least Squares (SEM-PLS) using SmartPLS 4.0 software. PLS-SEM was selected because: (1) Suitable for relatively small samples (minimum 10 times the largest number of structural paths = 30, actual sample 134); (2) it requires no distributional assumptions; (3) Effective for complex models with mediation; (4) Prediction-oriented suitable for early theory development (Hair et al., 2022). Analysis stages included: Stage 1 analyzing respondent characteristics using frequency distributions and calculating variable descriptive statistics (mean, standard deviation, min-max); Stage 2 evaluating measurement model (outer model) through convergent validity (factor loadings >0.70, AVE >0.50), internal consistency reliability (CR >0.70, Cronbach's Alpha >0.70), and discriminant validity (Fornell-Larcker criterion, HTMT <0.85); Stage 3 evaluating structural model (inner model) through R^2 (values >0.75=substantial, 0.50-0.75=moderate, 0.25-0.50=weak), effect size f^2 (values >0.35=large, 0.15-0.35=medium, 0.02-0.15=small), and predictive relevance Q^2 (values >0=predictive relevance); Stage 4 testing hypotheses where path coefficients were tested using bootstrapping (5,000 subsamples, two-tailed test, α=0.05) with criteria t-value >1.96 and p-value <0.05 indicating significant effect; Stage 5 analyzing mediation where specific indirect effects were tested through bootstrapping to determine full mediation (direct effect non-significant, indirect effect significant), partial mediation (both direct and indirect effects significant), or no mediation (indirect effect non-significant).

3. RESULTS AND DISCUSSION

3.1 Demographic Profile and Descriptive Statistics

The demographic profile of 134 respondents shows female employees dominate (64.18% vs. male 35.82%), consistent with DP3AKB's focus on women's empowerment and child protection areas traditionally attracting female professionals. Productive age groups comprise 73.13% (26-35 years: 38.06%, 36-45 years: 35.07%), indicating a mature, experienced workforce. The majority hold bachelor's degrees (65.67%), ensuring an adequate educational foundation. Tenure distribution shows a balanced mix with experienced staff (>10 years=38.06%) providing institutional memory and newer staff (≤10 years=61.94%) bringing fresh perspectives.

Variable descriptive statistics using index scores (scale transformation: actual score/maximum score × 100) reveal that all variables demonstrate high index scores (>70),

indicating generally positive perceptions. Employee performance scores highest (Mean=8.35, Index=83.5), suggesting employees perceive their work output favorably. Work motivation is also high (Mean=8.64, Index=86.4), indicating a strong drive. Soft skill training (Mean=7.63, Index=76.3) and competence (Mean=7.74, Index=77.4) show room for improvement. Standard deviations indicate moderate response variability, suggesting consensus among employees.

3.2 Measurement Model Evaluation

The measurement model evaluation demonstrates excellent psychometric properties. All indicators show excellent convergent validity with factor loadings ranging from 0.775 to 0.961 (all >0.70 threshold). Average Variance Extracted (AVE) values range from 0.656 to 0.901, exceeding the 0.50 criterion, indicating constructs explain >50% indicator variance. Composite Reliability ranges from 0.905 to 0.979 and Cronbach's Alpha from 0.872 to 0.939, both far exceeding the 0.70 threshold, confirming excellent internal consistency. Discriminant validity is confirmed through the Fornell-Larcker criterion, where diagonal values (√AVE: 0.810-0.949) exceed all corresponding off-diagonal correlations, indicating each construct shares more variance with its indicators than with other constructs. HTMT ratio assessment shows all values <0.85 threshold, confirming excellent discriminant validity. These results validate measurement instrument quality and justify structural model testing.

Table 1. Measurement Model Evaluation

Konstruk	**Indikator**	**Loading**	**AVE**	**CR**	**Cronbach's α**
Work Motivation	MK1	0.783	0.656	0.905	0.872
	MK2	0.846			
	MK3	0.808			
	MK4	0.815			
	MK5	0.795			
Soft Skill Training	PL1	0.883	0.804	0.953	0.939
	PL2	0.898			
	PL3	0.818			
	PL4	0.939			
	PL5	0.939			
Competence	KM1	0.837	0.792	0.950	0.933
	KM2	0.828			
	KM3	0.943			
	KM4	0.873			
	KM5	0.961			

Note: All loadings >0.70, AVE >0.50, CR >0.70, and Cronbach's α >0.70, indicating excellent convergent validity and reliability.

Source: Primary data analysis (2025)

Table 2. Discriminant Validity Assessment (HTMT Ratio)

Construct	**WM**	**SST**	**COMP**	**PERF**
Work Motivation (WM)	–	–	–	–
Soft Skill Training (SST)	0.815	–	–	–
Competence (COMP)	0.776	0.844	–	–
Employee Performance (PERF)	0.675	0.550	0.682	–

Note: All HTMT values <0.85, confirming excellent discriminant validity.

Source: Primary data analysis (2025)

3.3 Structural Model Evaluation

The structural model demonstrates excellent quality. Coefficient of determination shows explanatory power, where for competence, R^2=0.901 (adjusted R^2=0.899) indicates 90.1% variance explained by work motivation and soft skill training, categorized as substantial. For employee performance, R^2=0.937 (adjusted R^2=0.935) indicates 93.7% variance explained by motivation, training, and competence, also substantial. These results indicate model captures critical determinants of competence and performance. Effect size (f^2) analysis reveals soft skill training demonstrates a large effect on competence (f^2=0.547), indicating substantial influence when removed from the model. Training and competence show medium effects on performance (f^2=0.163, 0.198). Motivation shows small effects (f^2=0.038-0.041), though statistically significant. Results suggest soft skill training is the most critical competence determinant, while multiple factors contribute to performance. Predictive relevance assessment through the blindfolding procedure (omission distance=7) yielded Q^2=0.704 for competence and Q^2=0.842 for performance. Both Q^2 >0 confirm the model's predictive relevance, with values >0.35 indicating large predictive capability. The model effectively predicts both competence and performance outcomes. Model fit assessment shows SRMR=0.062 <0.08 threshold, indicating excellent fit between observed and predicted covariance matrices, and NFI=0.923 >0.90, confirming acceptable model fit. These indices, combined with excellent R^2 and Q^2 values, confirm overall model adequacy.

3.4 Hypothesis Testing Results

Hypothesis testing results from bootstrapping analysis (5,000 subsamples) reveal that all seven hypotheses are supported. H1 is supported where work motivation positively affects employee performance (β=0.173, t=2.189, p=0.029<0.05), indicating one unit increase in motivation increases performance by 0.173 units ceteris paribus. The effect is statistically significant but relatively modest, suggesting motivation alone is insufficient and must be combined with other factors for substantial performance gains. H2 is supported

where soft skill training significantly affects performance (β=0.400, t=2.730, p=0.006<0.05), demonstrating the strongest direct effect on performance and indicating well-designed soft skill programs directly enhance employee effectiveness, supporting Human Capital Theory that training investments yield performance returns. H3 is supported where work motivation significantly enhances competence (β=0.203, t=3.071, p=0.002<0.05), confirming SDT's proposition that intrinsic motivation drives competence-seeking behavior as motivated employees actively develop capabilities. H4 is supported where soft skill training exhibits the strongest effect on competence (β=0.769, t=11.972, p=0.000<0.05), explaining why training constitutes a critical competency development mechanism and aligning with HCT that systematic training programs effectively build employee capabilities. H5 is supported where competence significantly affects performance (β=0.424, t=4.399, p=0.000<0.05), confirming the RBV proposition that competent employees constitute valuable organizational resources driving performance.

Mediation analysis reveals that both H6 and H7 are supported, with partial mediation confirmed. H6 shows competence significantly mediates motivation→performance relationship (indirect effect β=0.086, t=2.389, p=0.017<0.05). Since both direct effect (H1: β=0.173, p=0.029) and indirect effect are significant, partial mediation is confirmed. Total effect of motivation on performance = direct + indirect = 0.173 + 0.086 = 0.259, where approximately 33.2% (0.086/0.259) of motivation's effect on performance operates through the competence pathway. This demonstrates that motivation improves performance both directly through energy and persistence and indirectly through capability building. H7 shows competence significantly mediates training→performance relationship (indirect effect β=0.326, t=4.393, p=0.000<0.05). Both direct (H2: β=0.400, p=0.006) and indirect effects are significant, confirming partial mediation. Total effect = 0.400 + 0.326 = 0.726, where approximately 44.9% (0.326/0.726) of the training's effect operates through the competence mechanism. This substantial indirect effect validates the theoretical argument that training's primary performance contribution occurs through competence development rather than immediate skill application alone. Partial (versus full) mediation indicates both pathways matter, suggesting organizations should: (1) Implement motivation/training programs as initiating mechanisms; (2) Ensure these develop actual competencies as mediating mechanisms; (3) Recognize that some direct effects also exist.

3.5 Discussion

The discussion of work motivation and performance confirms the significant positive effect (β=0.173, p=0.029), supporting Self-Determination Theory (Deci & Ryan, 2020) and aligning with Manzoor et al. (2021), who found motivation positively affects public employee performance through increased commitment and effort. In the DP3AKB context, a high motivational index (86.4) combined with a significant effect suggests that motivated

employees demonstrate stronger service orientation, problem-solving initiative, and willingness to exceed formal job requirements when dealing with sensitive issues like gender violence and child protection. However, a modest effect size (f^2=0.041, small) indicates motivation alone is insufficient for substantial performance gains and must be combined with competency development and organizational support. This nuanced finding reconciles contradictory prior research where Kuvaas et al. (2021) found strong motivation effects while Maulana (2025) found non-significant effects, demonstrating that context matters as motivation's performance impact depends on enabling conditions, including competence, resources, and organizational support. Qualitative insights reveal intrinsic motivation sources include meaningful work helping vulnerable groups, professional growth opportunities, and supportive leadership, while extrinsic factors include clear performance standards and fair recognition systems. However, respondents noted limited career advancement pathways and routine task monotony as demotivators, suggesting DP3AKB should strengthen intrinsic motivation through meaningful work design while addressing extrinsic demotivators. This finding is consistent with empirical studies in the Indonesian public sector, where Nugroho et al. (2025) and Sutrisno and Sudarma (2023) reported that employee motivation positively affects performance when supported by adequate competencies, clear work systems, and organizational support mechanisms.

The discussion of soft skill training and performance reveals that training demonstrates the strongest direct performance effect (β=0.400, p=0.006), strongly supporting Human Capital Theory (Strober & Weinberg, 2022) and aligning with Tharenou et al. (2023) meta-analysis showing soft skill training increases contextual performance substantially. In DP3AKB, communication, empathy, and problem-solving skills developed through training directly enhance service quality when counseling families, handling violence cases, or coordinating with stakeholders. Medium effect size (f^2=0.163) indicates training represents a critical performance determinant. However, the training index (76.3) shows room for improvement. Qualitative responses identify effectiveness factors, including case-based learning, expert facilitators, and post-training mentoring, while barriers include limited time for training participation, inconsistent training quality, and insufficient follow-up application support. This supports Baldwin et al.'s (2021) Transfer of Training Framework, emphasizing organizational support. DP3AKB should: (1) Implement needs-based training design; (2) Use interactive delivery methods; (3) Provide post-training coaching; (4) Integrate training outcomes into performance evaluation; (5) Create application opportunities through challenging assignments.

The discussion of competence as a mediator reveals partial mediation in both relationships. For motivation→competence→performance, competence partially mediates with indirect effect β=0.086 (p=0.017) accounting for 33.2% of total effect, demonstrating motivation enhances performance through two pathways: direct pathway (β=0.173) where motivated employees exert more effort, persist through difficulties, and maintain focus

directly improving output without necessarily developing new competencies (motivational energy converting into performance), and indirect pathway (β=0.086) where motivation drives competency-seeking behaviors including learning pursuit, training engagement, and skill practice developing capabilities that subsequently enhance performance (motivational energy channeled into capability building). Partial mediation indicates both mechanisms operate simultaneously, reconciling Blume et al.'s (2024) longitudinal study showing motivation without training increased competence 31%, but combined motivation and training increased competence 68% (correlation 0.72 with performance). This suggests motivation's performance impact is maximized when organizational systems (training, learning opportunities, mentoring) facilitate competency development. Practical implication is DP3AKB should avoid motivation-only interventions like motivational speeches or recognition programs alone, instead implementing integrated strategies to: (1) Enhance motivation through meaningful work, fair rewards, and career clarity; (2) Provide competency development opportunities including training, challenging assignments, and mentoring; (3) Create systems linking motivation to learning including performance development plans and learning goal setting.

For training→competence→performance, competence partially mediates with substantial indirect effect β=0.326 (p=0.000) accounting for 44.9% of total effect, revealing training affects performance through dual pathways: direct pathway (β=0.400) representing immediate skill application where employees use newly learned techniques directly in work tasks (example: communication training immediately applying active listening in client counseling), and indirect pathway (β=0.326) representing sustained competency development where training builds knowledge structures and behavioral repertoires internalized as enduring capabilities applied flexibly across contexts (example: communication training developing general communication competence applicable to counseling, stakeholder negotiation, team collaboration, public speaking). The substantial indirect effect (44.9%) validates the theoretical argument that training's primary value lies in competency building rather than mere skill transfer, supporting Aguinis and Kraiger's (2020) finding that 60% post-training performance improvement operates through competence versus 40% direct application. Partial mediation explains why many training programs fail, as they achieve immediate skill application (direct effect) but not lasting competence development (indirect effect). DP3AKB's data confirm that only 51% trainees apply learning after 3 months. This training transfer problem (Salas et al., 2020) occurs when training content is not internalized as competence due to poor training design (generic, non-contextualized), inadequate practice opportunities, lack of post-training reinforcement, and absence of organizational support for application. Practical implication is DP3AKB should redesign training system focusing on competence development through: (1) Conducting systematic competency gap analysis; (2) Designing competency-based training curricula; (3)

Using experiential learning methods including case studies, simulations, and action learning; (4) Implementing post-training coaching and mentoring; (5) Creating application opportunities through job assignments; (6) Evaluating training based on competency improvement and performance change (Kirkpatrick Levels 3-4), not just participant satisfaction.

This study advances HRM theory in three ways. First, the integrated mediating framework, unlike fragmented prior research examining partial relationships, this study simultaneously tests direct and indirect effects, revealing competence as a critical mechanism transforming motivational resources and training investments into performance outcomes, addressing calls by Wright and McMahan (2022) for understanding the black box between HRM practices and performance. Second, competence centrality, where findings demonstrate competence is not a mere moderator or additional predictor but a fundamental mediating mechanism, as the model explaining 90.1% competence variance and 93.7% performance variance shows a competence-centric approach captures performance determinants comprehensively, supporting RBV's proposition that employee competence constitutes a primary source of organizational effectiveness (Barney & Mackey, 2023). Third, context-specific insights extending theory to Indonesian public sector, demonstrating SDT, HCT, and RBV applicability beyond Western, private-sector contexts typically studied, revealing unique aspects including strong intrinsic motivation driven by public service values, training effectiveness depending on contextual relevance, and competence encompassing technical (regulatory knowledge), managerial (coordination), and sociocultural (empathy, cultural sensitivity) dimensions critical in sensitive public services.

For managerial and policy implications, DP3AKB Banten management should: (1) Implement integrated HRM system linking motivation programs, training initiatives, and competency development in unified framework, avoiding fragmented interventions addressing motivation or training separately; (2) Prioritize training investment given training's dominant competence effect (β=0.769), expanding quality training programs focusing on needs-based curriculum design, interactive delivery methods, expert facilitators, post-training mentoring, and application opportunities; (3) Redesign competency architecture developing competency models for each position/level identifying required technical, managerial, sociocultural competencies for use in recruitment (competency-based selection), training design (gap-targeted programs), performance evaluation (competency-based assessment), and career development (competency-level promotion criteria); (4) Strengthen motivation systems enhancing both intrinsic (meaningful work design, autonomy, mastery opportunities) and extrinsic (fair rewards, clear career paths, recognition) motivation while ensuring motivation channels into competency development; (5) Monitor and evaluate systematically tracking not just training participation but competency improvement and performance change through competency assessments (baseline, post-

training, periodic), performance metrics linked to competency application, and training effectiveness evaluation (Kirkpatrick Levels 3-4).

For Indonesian public sector policy: (1) Develop national competency standards for public service positions facilitating cross-agency benchmarking and development consistency; (2) Establish training quality assurance through accreditation systems ensuring public sector training programs meet competency development criteria rather than mere activity completion; (3) Reform civil service regulations integrating competency assessments into promotion, placement, and succession planning, moving beyond seniority-based advancement; (4) Create national learning platforms, resource libraries, and communities of practice supporting continuous competency development across agencies.

4. CONCLUSION

This study demonstrates that work motivation and soft skill training significantly affect employee performance both directly and indirectly through competence mediation in the Indonesian public sector context. All direct effects are significant, validating Self-Determination Theory, Human Capital Theory, and Resource-Based View. Competence partially mediates both relationships with 33.2% of motivation's effect and 44.9% of training's effect operating through the competence pathway. Soft skill training shows a dominant influence with the largest direct performance effect (β=0.400) and competence effect (β=0.769, f^2=0.547, large). The model explains 93.5% performance variance and 89.9% competence variance with excellent fit indices (SRMR=0.062, NFI=0.923) and strong predictive relevance (Q^2>0.70).

Improving public sector employee performance requires a holistic approach, recognizing motivation and training as initiating mechanisms that must channel through competence development to produce sustainable performance gains. Competence represents the capability enabling motivated, trained employees to deliver superior service. By placing competence at the strategic center of HRM systems, public sector organizations can maximize returns on motivation and training investments, ultimately enhancing organizational effectiveness and public service quality. Future research should employ longitudinal designs, replicate across multiple agencies, incorporate objective performance measures, and explore additional variables, including leadership style and organizational culture.

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