

Analysis of the Influence of Work Environment and Work Competence on Employee Performance: The Mediating Role of Work Motivation

Bela Safitri¹, Ratna Kusumawati^{1*}

¹ Department of Management, Faculty of Economics and Business, Wahid Hasyim University, Indonesia

*Email: ratna_kusumawati@unwahas.ac.id (corresponding author)

Abstract

This study aims to analyze the effects of the work environment and work competence on employee performance, with work motivation as a mediating variable. This study uses a quantitative approach, with the sample size is 88 employees, determined by a sampling technique based on research criteria at the regional secretariat office of Central Java Province. The data analysis method used is path analysis to determine both direct and indirect effects among variables. The results of the study indicate that the work environment has a positive and significant effect on employee performance. Work competence also has a positive and significant effect on employee performance. Meanwhile, the mediation test results indicate that work motivation mediates the effect of the work environment on employee performance. However, work motivation does not mediate the effect of work competence on employee performance. This indicates that the influence of the work environment on employee performance can be strengthened by increased work motivation. In contrast, the effect of work competence on employee performance is more directly dominant, without going through a mediating variable. Thus, it can be concluded that the improvement of employee performance at the regional secretariat office of Central Java Province is influenced by the work environment and work competence, where work motivation acts as a mediating variable in the relationship between the work environment and employee performance, but not in the relationship between work competence and employee performance..

Keywords: Work Environment; Work Competence; Work Motivation; Employee Performance; Path Analysis.

INTRODUCTION

Human resources are the primary asset that determines an organization's success in achieving its stated goals. In government agencies, employee performance is a crucial factor supporting the effectiveness, efficiency, and quality of public services (Vathanophas, 2007). Therefore, improving employee performance requires a primary focus on ensuring the organization can carry out its duties and functions effectively.

One factor influencing employee performance is the work environment. A comfortable, safe, and conducive work environment can support productivity and boost employee morale (Dullah et al., 2023). In addition to physical conditions such as facilities, layout, lighting, and cleanliness, the work environment also encompasses the social and psychological relationships between employees and their superiors. A good work environment has been proven to increase employee satisfaction and performance.

In addition to the work environment, work competency also plays a crucial role in improving employee performance. Competence encompasses the knowledge, skills, and attitudes an individual possesses in carrying out their work (Eraut, 1998).. Employees with high competency tend to be more capable of completing tasks effectively and professionally, thereby making a greater contribution to achieving organizational goals. Therefore, developing competency through training and education is a crucial step in improving the quality of human resources.

Another equally important factor is work motivation. Motivation is the drive that makes someone willing to work optimally to achieve certain goals (Ahmad, 2021). High motivation will increase employees' enthusiasm, commitment, and sense of responsibility in carrying out their work. Various studies show that work motivation positively influences employee performance and can strengthen the relationship between organizational factors and the results achieved (Shalahuddin, 2022; Nugraha, 2024).

The Central Java Provincial Secretariat Office, as an institution that has a strategic role in the implementation of regional government, is required to have high-performing, professional, and responsive employees. The high demands of public services and the complexity of the tasks faced make understanding the factors that influence employee performance increasingly important. Therefore, this study was conducted to analyze the influence of the work environment and work competencies on employee performance, with work motivation as a mediating variable, at the Central Java Provincial Secretariat Office, to provide input for more effective human resource management. As a benchmark for the success of achieving the performance of the Goals and Targets of the Central Java Provincial Secretariat, the performance indicators of the Goals and Targets, along with their targets for 2024-2026, are set out in the 2024-2026 Regional Secretariat Strategic Plan as Table 1.

Based on the Central Java Provincial Secretariat's performance targets for the 2024–2026 period, there is a commitment to improving the quality of governance through various performance indicators. The Policy Maturity Index is targeted to increase gradually from 36.1 in 2024 to 38.1 in 2026. In addition, the performance achievement of regional apparatus programs in governance, law, public welfare, the economy, and goods and services is set at 90% annually. In contrast, the area of administration, organization, and regional development is targeted for 80%. On the other hand, the quality of bureaucratic reform is also continuously improved as indicated by the target increase in the Bureaucratic Reform Index from 76 to 77 and the Public Satisfaction Index from 82 to 83 during the 2024–2026 period. Meanwhile, the Risk Management Index is targeted to decrease from 3 to 2.87 to reduce potential risks through more effective management. Overall, these targets reflect the Central Java Provincial Secretariat's commitment to realizing a government that is adaptive, accountable, results-oriented, and capable of improving service quality for the community.

Table 1. Target of Performance Regional Secretary, Central Java Province

Goals/ Targets	Indicators	Unit	Target		
			2024	2025	2026
Improving policy quality area	Policy Maturity Index	Number	36.1	37.1	38.1
Increased synergy adaptive and oriented policies results	Percentage performance achievements of regional government programs in the economic sphere and procurement services goods /services	%	90	90	90
	Percentage of device program performance achievement scope of administration, organization and development area	%	80	80	80
Improving the quality of implementation of bureaucratic reform in the apparatus area	Regional Secretariat Bureaucratic Reform Index	Number	76	76.5	77
Increased quality of device service area	Public Satisfaction Index	Number	82	82.5	83
Improved device risk management area	Risk Management Index	Number	3	2.85	2.87

Based on the literature, several studies indicate that the work environment has a significant positive effect on employee motivation and performance, and that motivation, in turn, has a significant positive effect on performance. Thus, work motivation mediates the relationship between the work environment and employee performance (Marsudi, 2024; Nurwati et al., 2019; Josephine & Harjanti, 2017; Triana & Yofi, 2021). However, other research findings indicate that the work environment has no significant effect on employee performance, while competence and motivation do. Furthermore, motivation mediates the relationship between the work environment and competence on employee performance (Farid & Clarissa, 2023).

Previous research shows that competency has a positive and significant impact on employee performance (Pramularso, 2018; Dwiyantri et al., 2019). Competence, which encompasses knowledge, skills, and work attitudes, can increase employee effectiveness in achieving company targets (Krisnawati & Bagia, 2021). Other research shows that work motivation and job competition significantly influence job satisfaction and productivity (Putri, 2015). Furthermore, job satisfaction mediates the effect of motivation on productivity, but not that of job competition (Andika et al., 2019).

Based on the background description, this study aims to investigate the influence of the work environment and work competencies on employee performance, with work motivation as a mediator, at the Regional Secretariat Office of Central Java Province.

LITERATURE REVIEW

Work Environment

According to Sedarmayanti (2001), the physical work environment encompasses all conditions surrounding the workplace that impact employees, both directly and indirectly. Similarly, Kasmir (2016) argues that the work environment encompasses the facilities, infrastructure, and conditions surrounding the workplace.

Work Competence

According to Wibowo (2007), competence is an employee's ability to perform work based on their skills and knowledge, along with a work attitude that allows them to complete the work promptly. In line with this, Wibowo (2007) also emphasized that competence is the ability to perform work or tasks based on skills and knowledge, supported by the work attitude required for the job.

Work Motivation

According to Wijaya (2015), motivation is the skill of directing employees and organizations to work successfully, so that employee desires and organizational goals can be achieved simultaneously. Meanwhile, Hasibuan (2008) defines motivation as a driving force that creates passion for work, encouraging collaboration and integration of efforts to achieve job satisfaction.

Employee Performance

According to Bangun (2012), performance is the work results achieved by an individual in accordance with established job requirements. Similarly, Mangkunegara (2013) states that employee performance is the work achievements or results, in terms of both quality and quantity, achieved by an employee within a specific time period in accordance with their assigned responsibilities.

RESEARCH METHOD

This study employed a quantitative approach, examining a sample of employees to test the established hypotheses (Sugiyono, 2013). The focus of this study was to analyze and demonstrate the influence of the work environment and work competencies on employee performance, mediated by work motivation, on 88 employees at the Central Java Provincial Secretariat Office.

This research employed with the sample size determined using sampling techniques in accordance with the research criteria. The questionnaire used a Likert scale to assess respondents' opinions, attitudes, and perspectives regarding a social event. Using this scale, existing variables were transformed into indicators, which were then used to form instrument items as questions or statements. The data analysis method used was path analysis to determine the direct and indirect influences between variables.

RESULT

Validity Testing

This study used corrected item-total correlations for validity testing. If $r\text{-count} > r\text{-table}$, then it is declared valid; if $r\text{-count} < r\text{-table}$, then it is declared invalid. The results in Table 2 show that all questionnaire items have $r\text{ count} > r\text{ table}$, indicating that the questionnaire is valid and suitable for researchers to use in measuring and obtaining research data from respondents.

Reliability Testing

The reliability test in this study aims to determine whether the questionnaire maintains consistency when measurements are repeated. If a variable's Cronbach's Alpha value exceeds 0.60, it is considered reliable. The reliability test results in the Table 3 show that all variables have sufficiently high alpha coefficients, above 0.60. Therefore, it can be concluded that all measurement concepts for each variable in the questionnaire are reliable and suitable for research use.

Table 2. Validity Testing Results

Variables	Item	R _{count}	R _{table}	Information
Work Environment	X1.1 - X1.18	0.295 - 0.625	0.207	Valid
Work Competence	X2.1 - X2.12	0.419 - 0.703	0.207	Valid
Employee Performance	Y1 - Y12	0.401 - 0.705	0.207	Valid
Work Motivation	Z1 - Z12	0.475 - 0.766	0.207	Valid

Table 3. Reliability Testing Results

Variables	Item	Cronbach Alpha	Cut-off	Information
Work Environment	X1.1 - X1.18	0.811	0.60	Reliable
Work Competence	X2.1 - X2.12	0.839	0.60	Reliable
Employee Performance	Y1 - Y12	0.800	0.60	Reliable
Work Motivation	Z1 - Z12	0.847	0.60	Reliable

Path Analysis

Referring to the regression output for equation I in Table 4, it can be seen that the significance values for the two variables X1 and X2 are $0.008 < 0.05$ and $0.001 < 0.05$, respectively. Thus, it can be concluded that the regression equation I, namely X1 and X2, has a significant effect on Y. In the data summary model table, the large R-squared value is 0.307, which means that the independent variable explains 30.7% of the variation in the dependent variable, while the remaining 69.3% is explained by other variables. Furthermore, the significance values of the three independent variables are $X1 = 0.001 < 0.05$, $X2 = 0.001 < 0.05$, and $Z = 0.001 < 0.05$. Thus, it can be concluded that regression equation II, namely the variables X1, X2, and Z, has a significant effect on Y, the dependent variable. The model summary table shows a high R-squared value of 0.512, indicating that the independent variables explain 51.2% of the variation in the dependent variable. In comparison, the remaining 48.8% is explained by other variables outside the research model or factors not included in this study.

Based on Table 5, the indirect effect of the work environment on employee performance through work motivation (0.142) is greater than its direct effect (-0.265), indicating a strong mediating role. Similarly for the work competency, the indirect effect (0.423) is smaller than the direct effect (0.605). Thus, work motivation is shown to mediate the effect of the work environment on employee performance, but it does not mediate the effect of work competency on employee performance.

DISCUSSION

The Influence of the Work Environment on Employee Performance

The results indicate that the work environment has a negative and significant effect on employee performance at the Central Java Provincial Secretariat Office. The result is evidenced by a significance value of $0.001 < 0.05$ and a calculated t-value of $5.042 >$ the critical value of 1.988. Therefore, the hypothesis that the work environment influences employee performance is accepted. These results indicate that the better the work environment perceived by employees, the higher their performance. A comfortable, safe, and conducive work environment can increase employee morale and productivity. According to Sedarmayanti (2017), the work environment is the sum of all tools, materials, the surrounding environment, work methods, and work arrangements that can influence employee task performance. These results align with research conducted by Sihalo and Siregar (2020), which found that the work environment has a positive and significant effect on employee performance. Therefore, organizations need to create a supportive work environment so that employees can perform optimally.

Table 4. Path Analysis Testing Results

Relationship	Beta	t-value	p-value	R ²
Work Environment on Work Motivation	-0.265	-2.716	0.008	0.307
Work Competence on Work Motivation	0.605	6.198	0.001	
Work Environment on Employee Performance	-0.556	-5.588	0.000	0.512
Work Competence on Employee Performance	1.035	9.004	0.000	
Work Motivation on Employee Performance	-0.629	-6.551	0.000	

Table 5. Direct and Indirect Effect

Relationship	Direct	Indirect
Work Environment on Employee Performance	-0.265	0.142
Work Competence on Employee Performance	0.605	0.423

The Influence of Job Competence on Employee Performance

The next results revealed that job competence has a positive and significant effect on employee performance at the Central Java Provincial Secretariat Office. The finding is supported by a significance value of $0.001 < 0.05$ and a calculated t-value of $6.808 >$ the critical value of 1.988. Therefore, the hypothesis that job competence influences employee performance is accepted. This finding indicates that increasing employee competence will impact the quality and quantity of work output. Job competence reflects an individual's abilities, encompassing knowledge, skills, and attitudes, in carrying out their duties and responsibilities. According to Sedarmayanti (2017), competence is a person's ability to perform superior work. These results align with research conducted by Aulia et al. (2024), which found that competence significantly influences employee performance. Therefore, continuous competence development through training, education, and human resource development is necessary to enhance employee performance.

The Influence of the Work Environment on Employee Performance through Work Motivation

The Sobel test results showed a statistical value of $2.096 > 2.009$ with a probability value of $0.036 < 0.05$. These results indicate that work motivation can mediate the influence of the work environment on employee performance. Therefore, the hypothesis that work motivation mediates the influence of the work environment on employee performance is accepted. The evidence indicates that a good work environment not only directly impacts performance but also increases work motivation, ultimately driving improved employee performance. A conducive work environment fosters a sense of comfort, security, and greater enthusiasm for work, thereby motivating employees to perform better. According to Hasibuan (2017), motivation is the drive that excites a person's passion for work, encouraging them to work effectively and efficiently. These results support previous research suggesting that work motivation can mediate the relationship between the work environment and employee performance. Therefore, organizations need to pay attention to the condition of the work environment to simultaneously improve employee motivation and performance.

The Influence of Work Competence on Employee Performance through Work Motivation

Further Sobel test results showed a statistical value of $0.901 < 2.009$ with a probability value of $0.367 > 0.05$. These results indicate that work motivation does not mediate the effect of work competence on employee performance. Therefore, the hypothesis that work motivation mediates the effect of work competence on employee performance is rejected. This finding indicates that work competence has a greater direct influence on performance improvement than work motivation. High competence enables employees to complete work effectively by drawing on their abilities, knowledge, and skills, regardless of their level of motivation. According to Spencer and Spencer, as cited in Moeheriono (2014), competence is a fundamental individual characteristic associated with effective job performance. The results of this study indicate that work motivation is not yet a significant mediator in the relationship between competence and employee performance. Therefore, improving competence remains a key factor in enhancing employee performance at the Central Java Provincial Secretariat Office.

CONCLUSION

Based on the research results and discussion presented, it can be concluded that the work environment has a significant negative impact on employee performance. Job

competency has a significant positive impact on employee performance. These findings indicate that the higher an employee's job competency, the better their performance.

Further results also show that work motivation can mediate the relationship between the work environment and work competency on employee performance. This finding indicates that the higher an employee's work motivation, the stronger the relationship between the work environment and employee performance, resulting in improved performance. This finding suggests that work competency plays a more direct role in improving employee performance than work motivation as a mediating variable. Therefore, increasing work competency can directly improve performance.

Managerial Implication

The Central Java Provincial Secretariat Office is expected to continue improving the quality of its work environment by creating a comfortable, safe, and conducive work environment, both physically and non-physically. Furthermore, the agency needs to improve employee competency through ongoing education, training, and skills development programs to enable employees to keep pace with technological developments and job demands. Improving work motivation also needs to be a priority through the provision of awards, career development opportunities, and adequate organizational support, thereby improving employee performance.

Limitation and Recommendation

This study has limitations with its approach to the two determinants of employee performance. Future studies are expected to expand the research model by incorporating additional variables that may influence employee performance, such as leadership, work discipline, organizational culture, job satisfaction, and compensation. Furthermore, future researchers can expand the research scope to government agencies and other sectors and use more complex analytical methods, such as Structural Equation Modeling (SEM), to obtain more comprehensive results. Using a larger sample size is also recommended to improve the generalizability of the research results.

REFERENCES

- Ahmad, S. (2021). Motivation and performance: A psychological process. *International Journal of Business and Management Research*, 9(2), 104-112.
- Bangun, Wilson. 2012. *Manajemen Sumber Daya Manusia*. Penerbit Erlangga.
- Dullah, M., Lingiani, L., & Suwardi, L. A. (2023). Work environment analysis to improve employee performance. *Revenue Journal: Management and Entrepreneurship*, 1(2), 127-134.
- Dwiyanti, N. K. A., Heryanda, K. K., & Susila, G. P. A. J. (2019). Pengaruh kompetensi dan motivasi kerja terhadap kinerja karyawan. *Bisma: Jurnal Manajemen*, 5(2), 121-130.
- Eraut, M. (1998). Concepts of competence. *Journal of interprofessional care*, 12(2), 127-139.
- Farid, R., & Clarissa, F. (2023). Pengaruh lingkungan kerja dan kompetensi terhadap kinerja karyawan pada klinik kecantikan di kota batam dimediasi oleh motivasi. *Ekombis Sains: Jurnal Ekonomi, Keuangan dan Bisnis*, 8(2), 146-160.
- Hasibuan, M. S. P. (2008). *Manajemen sumber daya manusia*. Bumi Aksara.
- Josephine, A. (2017). Pengaruh lingkungan kerja terhadap kinerja karyawan pada bagian produksi melalui motivasi kerja sebagai variabel intervening pada PT. Trio Corporate Plastic (Tricopla). *Agora*, 5(3), 135167.

- Kasmir, D. K. M..(2016). Manajemen Sumber Daya Manusia (Teori dan Praktik). *Manajemen Sumber Daya Manusia (Teori dan Praktik)*, 300.
- Krisnawati, N. K. D., & Bagia, I. W. (2021). Pengaruh kompetensi kerja terhadap kinerja karyawan. *Bisma: Jurnal Manajemen*, 7(1), 29-38.
- Mangkunegara, A. A. A. P. (2013). *Manajemen sumber daya manusia perusahaan*. PT Remaja Rosdakarya.
- Marsudi, H. (2024). Analisis Pengaruh Lingkungan Kerja terhadap Kinerja dengan Motivasi sebagai Variabel Mediasi pada Tenaga Kependidikan di Fakultas Teknik Universitas Sebelas Maret. *Performa: Media Ilmiah Teknik Industri*, 23(2), 158-165.
- Nugraha, B. A. (2024). The significance of work motivation: The impact of organizational culture and work environment on employee performance. *MANAZHIM: Jurnal Manajemen dan Ilmu Pendidikan*, 6(1), 265-289.
- Nurwati, A., Wahyuni, P., & Siswanti, Y. (2019). Pengaruh Lingkungan Kerja dan Kompetensi Terhadap Kinerja Karyawan Yang Dimediasi Oleh Motivasi Kerja Studi Pada Waroeng Spesial Sambal" SS" DI Yogyakarta. *Jurnal Studi Manajemen Organisasi*, 16(2), 9-17.
- Pramularso, E. Y. (2018). Pengaruh Kompetensi terhadap Kinerja Karyawan CV Inaura Anugerah Jakarta. *Jurnal Khatulistiwa Informatika*, 2(1), 40-46.
- Sedarmayanti, M., & Pd, M. (2001). Sumber daya manusia dan produktivitas kerja. *Bandung: CV. Mandar Maju*.
- Shalahuddin, S. (2022). Improving employee performance through good organizational culture and work motivation. *Advances in Human Resource Management Research*, 1(1), 45-54.
- Sugiyono. (2013). *Metode Penelitian Kuantitatif, Kualitatif, dan R&D*. Alfabeta.
- Triana, H., & Yofi, Y. (2021). Pengaruh Lingkungan Kerja dan Kepuasan Kerja terhadap Kinerja Karyawan pada PT. Omnitech Global Indonesia. *Jurnal Ilmiah Swara Manajemen*, 1(2), 113-124.
- Vathanophas, V. (2007). Competency requirements for effective job performance in Thai public sector. *Contemporary management research*, 3(1), 45-45.
- Wibowo, M. K. (2007). *Manajemen Kepemimpinan: Teori dan Aplikasi*. Bandung: Penerbit Alfabeta.
- Wijaya, T. (2015). Pengaruh motivasi dan kompensasi terhadap kinerja karyawan pada PT Sinar Jaya Abadi Bersama. *Agora*, 3(2), 36406.