

Linking Competence and Work Discipline to Employee Performance Through Job Satisfaction Mediation

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ABSTRACT

This study examines the effect of competence and work discipline on employee performance with job satisfaction as an intervening variable at the Department of Transportation, Agam Regency, West Sumatra. The research employed a quantitative design with a census sampling method, involving all 70 employees as respondents. Data were collected using structured questionnaires and analyzed using SmartPLS 4.0 with the SEM-PLS approach. Results revealed that both competence and work discipline have significant positive effects on employee performance, with discipline emerging as the strongest direct predictor. Competence and discipline also positively influenced job satisfaction, which in turn significantly enhanced performance. Mediation analysis confirmed that job satisfaction partially mediated the relationship between competence and performance, as well as between discipline and performance, with stronger effects observed for discipline. These findings highlight that employee performance improvement requires not only technical competence and behavioral discipline but also psychological satisfaction at work. The study contributes theoretically by extending human resource management literature in the public sector and practically by offering actionable insights for policymakers to strengthen discipline systems, align competencies with job roles, and enhance satisfaction through recognition and career development.

ABSTRAK

Penelitian ini bertujuan untuk menganalisis pengaruh kompetensi dan disiplin kerja terhadap kinerja pegawai dengan kepuasan kerja sebagai variabel *intervening* pada Dinas Perhubungan Kabupaten Agam, Sumatera Barat. Penelitian menggunakan pendekatan kuantitatif dengan metode sensus, melibatkan seluruh 70 pegawai sebagai responden. Data dikumpulkan melalui kuesioner terstruktur dan dianalisis menggunakan SmartPLS 4.0 dengan pendekatan SEM-PLS. Hasil penelitian menunjukkan bahwa kompetensi dan disiplin kerja berpengaruh positif dan signifikan terhadap kinerja pegawai, di mana disiplin kerja menjadi prediktor langsung paling dominan. Selain itu, kompetensi dan disiplin kerja juga berpengaruh positif terhadap kepuasan kerja, yang pada gilirannya meningkatkan kinerja pegawai secara signifikan. Analisis mediasi membuktikan bahwa kepuasan kerja memediasi sebagian hubungan kompetensi terhadap kinerja maupun disiplin kerja terhadap kinerja, dengan pengaruh lebih kuat pada variabel disiplin kerja. Temuan ini menegaskan bahwa peningkatan kinerja pegawai tidak hanya ditentukan oleh kompetensi teknis dan kepatuhan perilaku, tetapi juga oleh kepuasan psikologis dalam bekerja. Secara teoritis, penelitian ini memperkaya literatur manajemen sumber daya manusia di sektor publik, sementara secara praktis memberikan rekomendasi bagi pengambil kebijakan untuk memperkuat sistem disiplin, menyelaraskan kompetensi dengan tugas, serta meningkatkan kepuasan kerja melalui penghargaan dan pengembangan karier.

1. Introduction

Employee performance is widely recognized as a fundamental driver of organizational effectiveness, particularly in the public sector where the delivery of quality services directly impacts societal welfare [1]. Performance encompasses both qualitative and quantitative outcomes of employee activities, reflecting their contribution to organizational goals [2]. In governmental institutions such as the Department of Transportation of Agam Regency, performance relates

not only to operational efficiency but also to public satisfaction with service accessibility, safety, and accountability. Low performance, manifested in delayed outputs, unmet targets, and inefficient task execution, undermines institutional credibility [3]. Thus, investigating the determinants of employee performance remains a crucial academic and managerial endeavor.

Performance evaluations of the Department of Transportation, Agam Regency, revealed that none of

the seven performance indicators reached the 100% target in 2024, with traffic performance and vehicle testing services achieving only 62% and 54%, respectively. Several causal factors were identified: weak employee competence, lack of work enthusiasm, low supervision, poor attendance discipline, and job misalignment. Absenteeism and tardiness records further reveal that more than 30% of employees were absent or late during certain months, suggesting systemic discipline issues [4]. In addition, many employees expressed dissatisfaction due to limited recognition, inadequate career development, and the delegation of core tasks to temporary staff. This phenomenon underscores that performance challenges in public organizations often arise not merely from technical constraints but from behavioral and psychological aspects of human resources.

Competence refers to the integration of knowledge, skills, and behavioral attributes that enable individuals to perform effectively [5]. Competent employees exhibit higher problem-solving abilities, accountability, and adaptability in addressing organizational demands [6]. In the context of public services, competence ensures that technical tasks are executed according to standards, thereby reducing inefficiencies and errors [7]. Several studies demonstrate a significant positive relationship between competence and performance, particularly when competence aligns with job requirements [8], [9]. At the Agam Regency Department of Transportation, competence issues are evident in weak reporting skills, limited technical knowledge, and mismatches between educational qualifications and job assignments. These competency gaps not only reduce productivity but also increase dependence on supervisors. Hence, competence serves as a critical predictor of employee performance.

Work discipline is defined as adherence to organizational rules, punctuality, and responsibility in task execution [10]. Discipline ensures the timely completion of assignments and fosters organizational order. Conversely, indiscipline is manifested in tardiness, absenteeism, and incomplete tasks, which undermine collective performance [11]. Prior studies confirm that work discipline has a significant positive effect on performance across both private and public organizations [12], [13]. In Agam Regency, employee attendance data indicates persistent lateness and unauthorized absences, highlighting systemic discipline challenges. Such patterns negatively affect service delivery, as delayed or absent employees reduce workflow efficiency. Thus, strengthening work discipline through monitoring systems, sanctions, and motivational strategies becomes crucial for performance improvement.

Job satisfaction refers to employees' emotional and cognitive evaluation of their work environment, roles, and relationships [14]. Satisfied employees tend to

demonstrate higher motivation, loyalty, and willingness to exert discretionary effort [15]. Conversely, dissatisfaction often leads to turnover intention, absenteeism, and reduced productivity. Empirical evidence suggests that job satisfaction mediates the effects of competence and discipline on performance [16]. For instance, competent employees under low satisfaction conditions may not perform optimally, while disciplined employees may comply without genuine engagement. At the Agam Regency Department of Transportation, dissatisfaction manifests in reluctance to take responsibility, passivity in decision-making, and delegation of tasks to contract workers. These issues confirm the critical mediating role of job satisfaction in translating competence and discipline into tangible performance outcomes.

Most prior studies have examined competence, discipline, or job satisfaction separately in corporate contexts [14], [17]. Research integrating these variables within public transportation institutions in Indonesia, particularly at the regency level, remains limited. Additionally, few studies explicitly test job satisfaction as an intervening mechanism between competence, discipline, and performance in local government agencies [18]. This study offers novelty by situating the analysis in a regional public sector context, employing structural equation modeling (SEM-PLS) to capture both direct and indirect effects. By doing so, it contributes to closing the empirical gap in understanding how human resource factors interact to shape performance in government service delivery.

The purpose of this research is to analyze the influence of competence and work discipline on employee performance, with job satisfaction as an intervening variable, at the Department of Transportation, Agam Regency. The urgency lies in the institution's need to improve its performance indicators to meet strategic goals and enhance public trust in transportation services. The study contributes theoretically by extending HRM literature with evidence from the public sector in Indonesia and practically by providing actionable insights for policymakers to design targeted interventions in training, discipline reinforcement, and employee engagement. Ultimately, the findings are expected to inform strategies for optimizing civil service performance, not only in Agam Regency but also in other regional government institutions facing similar challenges.

2. Research Method

This study employed a quantitative research design using a causal approach to examine the direct and indirect effects of competence and work discipline on employee performance, with job satisfaction as an intervening variable. Structural Equation Modeling–Partial Least Squares (SEM–PLS) was selected as the analytical tool due to its ability to simultaneously assess complex relationships among latent variables,

including mediation effects [14]. This method is particularly suitable when the research model involves multiple constructs, each measured by several indicators, and when the data distribution does not meet strict parametric assumptions [19].

The population comprised all 70 employees of the Department of Transportation, Agam Regency, West Sumatra. Since the number of employees was relatively small and manageable, this research adopted a census sampling technique, meaning all employees were included as respondents. This approach reduces sampling bias and increases generalizability within the organizational context [20]. Respondents represented various divisions, including traffic management, infrastructure services, vehicle testing, and administrative support.

The study operationalized four key constructs to examine the relationships among variables. Employee performance (Y) was measured using dimensions such as task completion, quality of work, efficiency, and accountability, with indicators adapted from previously validated instruments in public sector HRM research [21]. Competence (X1) was assessed through indicators reflecting knowledge, skills, abilities, and behavioral attitudes consistent with employees' job responsibilities, ensuring alignment between individual capabilities and organizational requirements [22]. Work discipline (X2) was evaluated through indicators of punctuality, attendance, compliance with organizational rules, and responsibility for assigned tasks, capturing behavioral adherence to institutional expectations [10]. Meanwhile, job satisfaction (Z) was measured through dimensions such as job content, work environment, recognition, and career development opportunities, representing employees' cognitive and emotional evaluations of their work [23]. All variables were measured using a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). The measurement items were adapted from established scales and further validated through expert judgment to ensure contextual appropriateness within the organizational setting.

Primary data were collected using a structured questionnaire distributed directly to employees in July 2024. To ensure reliability and clarity, a pilot test involving 10 employees was conducted prior to the full survey. Feedback from the pilot study led to minor adjustments in wording to avoid ambiguity. The final instrument was administered with a 100% response rate, given the census method and institutional support. Confidentiality of responses was assured to minimize social desirability bias [24].

The data analysis was conducted using SmartPLS 4.0 through a two-step SEM-PLS approach, which is

suitable for testing complex models with latent variables. In the measurement model (outer model), validity was examined by assessing convergent validity (outer loadings > 0.70; AVE > 0.50) and discriminant validity (Fornell-Larcker; HTMT < 0.85). Reliability was ensured through Cronbach's alpha and composite reliability (> 0.70). In the structural model (inner model), hypotheses were tested using path coefficients, t-statistics, and p-values derived from a bootstrapping procedure with 5,000 subsamples, and model fit was evaluated via R², Q², and f² [25]. Mediation was assessed through specific indirect effects, with mediation confirmed when the indirect path (X → Z → Y) was significant, even if the direct effect remained partially significant [26]. The use of SEM-PLS allowed rigorous testing of both direct and indirect effects, offering robust insights into how competence, work discipline, and job satisfaction collectively shape employee performance.

3. Result and Discussion

The structural model was tested using SmartPLS 4.0 with a bootstrapping procedure of 5,000 subsamples. The analysis demonstrated strong predictive power for the endogenous variables. Specifically, competence and work discipline jointly explained 59.1% of the variance in employee performance and 50.7% of the variance in job satisfaction, which can be seen on Table 1. These values indicate a moderate explanatory power in behavioral and organizational studies [27].

Table 1. R² Values of Endogenous Variables

Endogenous Variable	R ²	Category
Job Satisfaction (Z)	0.507	Moderate
Employee Performance (Y)	0.591	Moderate

3.1. Direct Effect

The findings reveal that all hypothesized paths were positive and statistically significant, confirming the robustness of the proposed model. Among the predictors, work discipline emerged as the strongest direct determinant of employee performance, demonstrating its central role in ensuring timely, orderly, and effective task execution. In contrast, competence exhibited only a modest direct influence, suggesting that technical skills and knowledge alone are insufficient to guarantee optimal outcomes. Nevertheless, both competence and discipline were found to significantly enhance job satisfaction, which subsequently served as a powerful predictor of performance, highlighting the importance of psychological and attitudinal factors in translating individual attributes and behaviors into organizational results.

Table 2. Path Coefficients (Direct Effects)

Path	Coefficient (β)	t-statistic	p-value	Significant
Competence \rightarrow Performance	0.046	2.527	0.012	Yes
Discipline \rightarrow Performance	0.327	13.271	<0.001	Yes
Competence \rightarrow Satisfaction	0.261	3.837	<0.001	Yes
Discipline \rightarrow Satisfaction	0.633	11.749	<0.001	Yes
Satisfaction \rightarrow Performance	0.497	4.682	<0.001	Yes

The analysis on Table 2 demonstrates that work discipline is the most influential direct factor affecting employee performance, with a coefficient of $\beta = 0.327$. This indicates that employees' adherence to rules, punctuality, and responsibility has a strong and immediate impact on how effectively tasks are carried out. Meanwhile, job satisfaction emerges as a powerful predictor of performance ($\beta = 0.497$), suggesting that when employees feel content with their roles, recognition, and career prospects, they are more motivated to contribute positively to organizational outcomes. In contrast, competence shows only a modest direct effect ($\beta = 0.046$), although it remains

statistically significant. This finding highlights those technical skills and knowledge alone are insufficient to drive performance unless they are supported by favorable attitudes and working conditions that enhance employee satisfaction.

3.2. Mediating Effects

The mediation analysis further clarified how job satisfaction channels the effects of competence and work discipline on performance. Both indirect paths were significant, with the discipline–satisfaction–performance link showing the larger effect size.

Table 3. Indirect (Mediating) Effects

Mediation Path	Indirect β	t-statistic	p-value	Significant
Competence \rightarrow Satisfaction \rightarrow Performance	0.130	2.951	0.003	Yes
Discipline \rightarrow Satisfaction \rightarrow Performance	0.315	4.411	<0.001	Yes

The results on Table 3 indicate that competence contributes to performance primarily through job satisfaction, as the indirect effect ($\beta = 0.130$) surpasses the direct effect ($\beta = 0.046$). This suggests that employees' knowledge and skills translate into higher performance when they are accompanied by a positive psychological state, such as satisfaction with their work environment and recognition. In contrast, discipline demonstrates a more comprehensive influence, with a

total effect of $\beta = 0.642$ (direct $\beta = 0.327$ and indirect $\beta = 0.315$). This finding confirms that discipline not only shapes performance through direct behavioral compliance—such as punctuality and task completion—but also indirectly enhances performance by fostering job satisfaction, thereby reinforcing both behavioral and psychological pathways to improved outcomes.

Table 4. Comparative Analysis

Pathway	Direct Effect	Indirect Effect	Total Effect
Competence \rightarrow Performance	0.046	0.130	0.176
Discipline \rightarrow Performance	0.327	0.315	0.642

The comparative analysis underscores the dual role of work discipline in shaping employee performance, which can be seen on Table 4. On one hand, discipline directly enforces behavioral compliance by ensuring punctuality, attendance, and adherence to organizational rules, which immediately enhances task execution. On the other hand, discipline indirectly contributes to performance by fostering job satisfaction, thereby motivating employees to engage more positively with their work. In contrast, competence plays a more indirect role, as its contribution to performance is largely mediated through psychological mechanisms such as satisfaction, recognition, and alignment between skills and job roles. This implies that while discipline is essential for establishing reliable behavioral foundations, competence becomes impactful when

coupled with positive employee attitudes and supportive organizational contexts.

4. Conclusion

This study concludes that both competence and work discipline significantly influence employee performance at the Department of Transportation, Agam Regency, with job satisfaction serving as a crucial mediating variable. Work discipline emerged as the strongest direct determinant, underscoring the importance of strict adherence to attendance, punctuality, and compliance with organizational rules, while competence contributed more indirectly through job satisfaction—highlighting those skills and knowledge must be supported by positive attitudes to yield optimal outcomes. Theoretically, this research advances public-sector HRM by integrating competence, discipline, and satisfaction within a single

structural model, while practically it suggests that managers should reinforce disciplinary mechanisms, align competencies with job roles through training and development, and enhance satisfaction via recognition, equitable workload distribution, and career advancement opportunities, thereby enabling government agencies to close performance gaps and improve the quality of public services.

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