

Competence and Training as Determinants of Employee Performance: The Mediating Role of Organizational Commitment at the Department of Industry and Trade of Malinau Regency

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Abstract

This study aims to analyze the effects of competence and training on employee performance, with organizational commitment serving as a mediating variable, in the Department of Industry and Trade of Malinau Regency. The research background focuses on various issues related to employee performance, including limitations in technical competence, suboptimal training effectiveness, and variations in employees' levels of commitment to carrying out public service duties. The Resource-Based View (RBV) theory is employed to explain how competence and training enhance organizational capabilities. This study uses a quantitative, path-analytic approach to examine both direct and indirect relationships among variables. The results indicate that competence and training have a significant effect on employee performance, both directly and indirectly through organizational commitment as a mediating variable. These findings highlight that performance improvement is not solely dependent on employees' technical skills and knowledge, but also on their level of psychological attachment to the organization. In addition to contributing theoretically to the field of human resource management, this study provides practical recommendations, including developing needs-based training programs, strengthening organizational culture, and implementing sustainable competency development policies to improve employee performance in local government institutions.

Keywords: competence, training, performance, commitment, SEM-PLS

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INTRODUCTION

As an institution with a strategic role in promoting regional industrial and trade development, the Department of Industry and Trade is required to deliver services that are effective, adaptive, and oriented toward enhancing competitiveness. However, in practice, various structural and managerial constraints are frequently encountered, hindering optimal performance. For instance, Mamahit (2021) found that limited budget allocation, shortages of human resources, and the low utilization of information technology directly contribute to poor performance in the Departments of Industry and Trade across several regions. Insufficient budgets restrict the implementation of empowerment programs for small and medium

industries (SMIs) and micro, small, and medium enterprises (MSMEs), resulting in limited achievement of organizational performance targets (Nurjannah & Haryani, 2022). In addition, the shortage of qualified personnel reduces the effectiveness of public services, particularly in mentoring, supervision, and business development assistance, ultimately lowering public satisfaction with institutional performance (Harahap et al., 2022).

The low adoption of information technology slows administrative processes and data management, reducing organizational responsiveness to the increasingly dynamic demands of the industrial and trade sectors (Harahap et al., 2022). Complex regulations and weak inter-agency coordination further exacerbate these conditions by creating policy overlaps and delays in program implementation (SWOT Analysis of the Department of Industry and Trade, 2023). These challenges highlight that without strengthening employee training, enhancing competencies, and reinforcing organizational commitment, the Department of Industry and Trade's performance is unlikely to improve optimally (Suwanto et al., 2023).

Performance reflects the level of achievement of work outcomes, both quantitatively and qualitatively, by individuals or institutions within a specific period (Mangkunegara, 2005). Key factors shaping performance include efficiency, effectiveness, productivity, stakeholder satisfaction, and organizational innovation (Daft, Kreitner & Kinicki, Robbins, Kaplan & Norton). Debates concerning performance measurement instruments continue to evolve. Some scholars support traditional quantitative indicators such as productivity and financial outcomes. In contrast, others emphasize multidimensional measurement approaches such as the Balanced Scorecard, which incorporates learning, customer, and internal process perspectives (Kaplan & Norton). Additional challenges arise regarding the validity and reliability of performance measurement tools, particularly when overly generic key performance indicators (KPIs) are applied across sectors, making it difficult to conduct accurate and fair performance evaluations (Stoner & Freeman). Empirical findings by Junianto and Garside (2021) indicate that employee performance is influenced by training.

Training within organizations is a planned process aimed at enhancing employees' knowledge, skills, and work-related behaviors to support the effective achievement of organizational goals (Noe et al., 2003; Mathis, 2002; Dessler, 2009). The objectives of training include improving productivity and effectiveness, enhancing employee competencies, adapting to technological advancements, and preparing employees for promotion and career development (Zurnali, 2004; Riadi, 2021). Nevertheless, debates persist regarding training evaluation instruments. The Kirkpatrick model—which assesses reaction, learning, behavior, and organizational results—is considered comprehensive but is often difficult to implement fully in practice (Kirkpatrick, 2025). Controversy also surrounds the effectiveness of on-the-job versus off-the-job training, simulations, and mentoring. Traditional methods are easier to measure, while modern approaches are more contextual but require greater resources. Consequently, training methods and evaluation instruments must be aligned with organizational needs and evaluation capacity. In addition to training, Junianto and Garside (2021) emphasize that employee performance is also influenced by competency.

Competency is defined as a combination of knowledge, skills, attitudes, and values that enable individuals to perform their jobs effectively in accordance with

established standards (Spencer & Spencer, 1993; Wibowo, 2017). Competency characteristics include motives, traits, self-concept, knowledge, and skills that drive work behavior (Boyatzis, 2008). Competency functions as a foundation for recruitment, selection, training, development, and performance appraisal, ensuring alignment between individual capabilities and job requirements (Palan, 2007; Hutapea & Thoha, 2008). The primary objective of competency development is to enhance organizational effectiveness through high-quality human resources capable of adapting to change and global challenges. However, debates remain regarding competency measurement instruments. Behavioral Event Interviews are considered in-depth but challenging to implement on a large scale, whereas competency dictionaries are more practical but often criticized for being overly general (Woodruffe, 1993; Lucia & Lepsinger, 1999). Therefore, the selection of competency measurement tools must align with the organizational context, job characteristics, and human resource development objectives.

Previous studies examining the relationship between training, competency, and employee performance have produced mixed and inconsistent findings. Several studies indicate that training has a positive effect on performance (Junianto & Garside, 2021). Conversely, research by Munir, Daud, and Fauzan (2025) and Setiawati et al. (2023) in the context of Jatinangor National Golf found that training did not have a significant partial effect on performance. Similarly, while Junianto and Garside (2021) and Munir et al. (2025) reported that competency significantly influences performance, Septiantrini et al. (2021) found no significant effect. These inconsistencies suggest the need for a reinforcing variable, leading to the inclusion of organizational commitment as a mediating variable.

Organizational commitment is defined as the degree of psychological attachment individuals have to their organization, reflected in loyalty, a sense of belonging, and a willingness to consistently contribute to organizational goals (Meyer & Allen, 1991). Organizational commitment consists of three dimensions: affective commitment, continuance commitment, and normative commitment (Meyer & Herscovitch, 2001). Its function is to enhance behavioral consistency, strengthen responsibility, and support organizational effectiveness. The primary objective of organizational commitment is to ensure sustainable performance through internally motivated employee contributions rather than mere administrative compliance (Luthans, 2011). Nonetheless, debates exist regarding commitment measurement instruments, particularly the construct validity of the three-component model, which some scholars consider overly general compared to alternative models that emphasize cultural context, organizational type, or individual values (Solinger et al., 2008).

Organizational commitment is positively related to performance, as highly committed employees tend to be more productive, responsible, and resilient in the face of work challenges (Mathieu & Zajac, 1990). Moreover, commitment serves as a mediating variable linking training and competency to performance. While training enhances technical skills and competency strengthens adaptive capacity, without commitment, these improvements do not always translate into higher performance outcomes (Hariputra et al., 2020; Suwanto et al., 2023). Thus, organizational commitment strengthens the positive effects of training and competency, helping explain why these variables do not always have a direct impact on performance in previous studies.

At the regional level, evidence from the Department of Industry and Trade of Tomohon City—a region with similar characteristics—indicates that, despite relatively good employee performance in terms of quality and quantity, the institution still faces limitations in human resources and budget to support local SMIs (Rumajar et al., 2022). This condition underscores the importance of examining training and competency dynamics in Malinau, particularly how organizational commitment mediates the relationships among training, competency, and performance. Preliminary observations in the Department of Industry and Trade of Malinau Regency reveal limitations in technical and administrative competencies, inconsistent commitment to public service delivery, and training programs that are not fully aligned with the organization's strategic needs. These conditions indicate a gap between empirical findings emphasizing the importance of commitment, competency, and training and the practical realities faced by the institution.

The urgency of this study lies in strengthening employee performance within a strategically important public institution for regional development. Employee commitment and competency are fundamental factors, while training serves as a reinforcing mechanism that enhances their impact on performance. The findings of this study are expected to contribute theoretically to the development of the human resource management literature and, practically, to policy formulation for sustainable performance improvement. Therefore, this research is highly relevant for developing effective human resource management strategies to enhance employee performance at the Department of Industry and Trade of Malinau Regency.

METHODOLOGY

Data analysis is the next stage after all respondents or data sources have been collected. Data analysis activities include organizing data from all respondents by variables, tabulating data for each variable, presenting data for each variable under investigation, performing calculations to address the research questions, and conducting hypothesis testing (Sugiyono, 2016). In this study, Partial Least Squares (PLS) is employed as the data analysis method. PLS can be applied to various data scales, including nominal, ordinal, interval, and ratio scales.

Partial Least Squares (PLS) is utilized in this study for several reasons. First, PLS is suitable for studies with relatively small sample sizes (fewer than 100 respondents) and does not require strict assumptions regarding data normality or residual distribution. Second, PLS is well-suited for testing weak or underdeveloped theories due to its strong predictive power. Third, PLS allows parameter estimation via Ordinary Least Squares (OLS), yielding robust results. Fourth, the PLS method uses total variance to maximize the model's explanatory power.

The population of this study comprises all employees and staff members of the Department of Industry and Trade of Malinau Regency, North Kalimantan. This population was selected because it accurately represents the research context and aligns with the study objectives, as the employees have direct, practical experience with performance improvement initiatives. Therefore, they are considered appropriate subjects for measuring competency, organizational commitment, training, and employee performance. The sample represents a subset of the population under investigation. In this study, a saturated sampling technique, also known as total sampling, is employed. This approach is used because the population is relatively small and can be accessed in its entirety. Consequently, all employees of

the Department of Industry and Trade of Malinau Regency are included as research respondents. This sampling approach is supported by Hair et al. (2014), who state that saturated sampling is appropriate when all members of the population are included in the research sample.

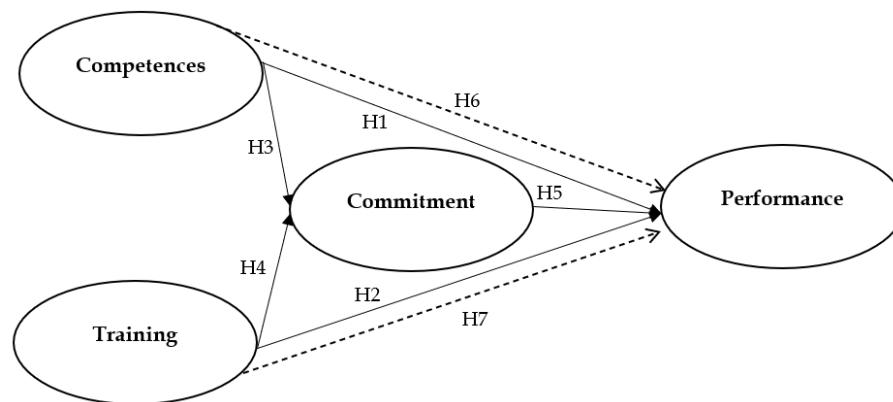


Figure 1. Thinking Framework

RESULT AND DISCUSSION

The Department of Industry and Trade of Malinau Regency employs 60 staff members, with a relatively balanced human resource composition across gender, age, and educational background. From a gender perspective, there are 27 male employees (45%) and 33 female employees (55%), indicating a good level of gender equality within the institutional work environment. In terms of age distribution, the majority of employees are aged 46 or older, totaling 29 individuals (48.3%), followed by those aged 31–45 years, with 26 employees (43.3%). Only 5 employees (8.4%) are within the 17–30 year age range. This age structure highlights the dominance of experienced personnel with strong mastery of work procedures, while underscoring the importance of human resource regeneration to ensure organizational sustainability. Regarding educational attainment, most employees hold a Bachelor's degree (S1), accounting for 39 individuals (65%), followed by Master's degree holders (S2) with 9 employees (15%), and senior high school graduates with 14 employees (20%). This educational composition reflects an adequate level of intellectual capacity to support policy formulation and the implementation of strategic programs in the industrial and trade sectors.

The dominance of mature and highly educated employees provides advantages in terms of work experience, regulatory understanding, and technical competence. However, the relatively low proportion of younger employees indicates a need to strengthen strategic human resources, particularly in innovation, technological adaptation, and digital transformation. Therefore, strategic measures such as continuous capacity-building through training programs, recruiting younger personnel, and reinforcing mechanisms for intergenerational knowledge transfer are essential. These efforts are crucial to maintaining organizational effectiveness and ensuring the institution's ability to respond to the increasingly complex challenges in the industrial and trade sectors.

*Outer Model**Validity Test*

The validity test in this study was conducted to ensure that the indicators used for each construct were understood correctly by the respondents and accurately measured the intended variables. Construct validity testing was conducted using SmartPLS and included assessments of convergent and discriminant validity.

Convergent Validity

Convergent validity was evaluated using factor loadings, which were considered acceptable if they exceeded 0.50 (Hair et al., 2014). In addition, the Average Variance Extracted (AVE) value should be greater than 0.50; however, values above 0.40 are still considered acceptable under certain conditions. According to Fornell and Larcker (1981), if the AVE is below 0.50 but the composite reliability exceeds 0.60, the construct's convergent validity can still be considered adequate. The results of the convergent validity assessment are presented in Table 1.

Table 1. Loading Factor and AVE Values

Variables	question item	Loading Factor	AVE
X1 (KOM)	KOM1	0,6859	0,5184
	KOM2	0,7597	
	KOM3	0,7303	
	KOM4	0,7778	
	KOM5	0,7136	
	KOM6	0,7988	
	KOM7	0,7194	
	KOM8	0,7859	
	KOM9	0,7437	
	KOM10	0,7170	
	KOM11	0,7571	
	KOM12	0,7612	
X2 (PEL)	PEL1	0,7396	0,5868
	PEL2	0,7815	
	PEL3	0,7815	
	PEL4	0,7433	
	PEL5	0,7575	
	PEL6	0,8192	
	PEL7	0,8110	
	PEL8	0,7609	
	PEL9	0,7949	
	PEL10	0,6870	
	PEL11	0,6697	
	PEL12	0,7470	
M (KMN)	KMN1	0,8742	0,7635
	KMN2	0,8847	
	KMN3	0,8552	
	KMN4	0,8806	
	KMN5	0,7815	
	KMN6	0,7433	
	KMN7	0,7575	
	KMN8	0,8192	
	KMN9	0,8742	
	KMN10	0,8747	
	KMN11	0,8561	
	KMN12	0,7836	
Y (KIN)	KIN1	0,8342	0,8635
	KIN2	0,8347	
	KIN3	0,8552	
	KIN4	0,8806	

Variables	question item	Loading Factor	AVE
	KIN5	0,8715	
	KIN6	0,8453	
	KIN7	0,8575	
	KIN8	0,8222	

Based on Table 1, all factor loadings exceed the recommended threshold of 0.50. Likewise, the Average Variance Extracted (AVE) values for all constructs exceed 0.50. Therefore, all measurement items in this study are valid, and the constructs demonstrate good convergent validity and are appropriate for further analysis.

Discriminant Validity

A construct is considered to have adequate discriminant validity if the square root of its AVE is greater than the correlations between that construct and other constructs in the model (Hair et al., 2014). Table 2 presents the results of the Fornell and Larcker criterion used to assess discriminant validity.

Table 2. Fornell and Larcker Criterion Values

Variables	KIN	PEL	KMN	KOM
KIN	0,8738*			
PEL	0,7475	0,7776*		
KMN	0,6722	0,6655	0,7665*	
KOM	0,6978	0,6848	0,6621	0,7200*

Based on Table 2, the square root of the AVE values for each construct is greater than the correlations between that construct and other constructs in the model. Therefore, it can be concluded that all measurement items demonstrate satisfactory convergent and discriminant validity in accordance with the established criteria (Hair et al., 2019).

Reliability Test

In addition to validity testing, reliability testing is also required in the measurement model to assess the consistency and accuracy of the constructs. Reliability testing is conducted to ensure that the measurement instruments are reliable, consistent, and precise in capturing the intended constructs. A construct is considered reliable if it has composite reliability and Cronbach's alpha values greater than 0.70 (Chin, 1998, as cited in Achjari, 2004). Table 3 presents the composite reliability values of the constructs.

Table 3. Composite Reliability Values

Variables	Cronbach's Alpha	Composite Reliability	Information
X1(KOM)	0,916	0,928	Realiabel
X2(PEL)	0,945	0,952	Realiabel
M(KMN)	0,942	0,852	Realiabel
Y(KIN)	0,896	0,928	Realiabel

Based on Table 3, the Cronbach's alpha and composite reliability values for all constructs exceed 0.70, indicating excellent reliability. This means that the variables tested are both valid and reliable, demonstrating accuracy and consistency in measurement. Therefore, the analysis can proceed to the next stage, namely the evaluation of the structural model (inner model).

Inner Model Evaluation (Structural Model)

After the outer model requirements are satisfied, the next step is to evaluate the inner model. The structural model is assessed by examining R-square (R^2) values to determine the extent to which the independent variables explain variance in the dependent variables, as well as by analyzing path coefficients (Hair et al., 2014). In this study, R-square values are interpreted as follows: 0.67 indicates a strong model, 0.33 indicates a moderate model, and 0.19 indicates a weak model (Chin, 1998).

Table 4 R-square Values

Variables	R-Square
Performance (Y)	0,847

Based on Table 4, the model examining the effects of competence (KOM) and training (PEL) on employee performance (KIN), mediated by organizational commitment (KMN), yields an R-square of 0.847. This indicates that competence and training explain 84.7% of the variance in employee performance through organizational commitment, which falls into the strong category. The remaining 15.3% of the variance is influenced by other variables not included in this study.

Hypothesis Testing Results

To determine whether the proposed hypotheses are supported, the significance level (p-value) is examined. In this context, parameter estimates and standard errors are not calculated based on statistical assumptions but are derived from empirical observations using the bootstrapping method. In this study, a hypothesis is considered supported if the p-value is below 0.05; otherwise, it is not supported (Hair et al., 2014). Hypothesis testing was conducted using the bootstrapping technique in SmartPLS to examine the effects of independent variables on dependent variables and the mediating role of the intervening variable. Table 5 and Figure 2 present a summary of the significance test results for each of the proposed hypotheses.

Table 5 Hypothesis Testing Results

Hypothesis	Original Sample (O)	T-Statistic	P-Value	Information
H1 Competence → Performance	(+) 0.546	9.611	0.012	Acceptable
H2 Training → Performance	(+) 0.559	11.446	0.001	Acceptable
H3 Competence → Comitment	(+) 0.952	11.443	0.003	Acceptable
H4 Training → Comitment	(+) 0.440	9.262	0.003	Acceptable
H5 Comitment → Performance	(+) 0.569	9.565	0.001	Acceptable
H6 Competence → Comitment → Performance	(+) 0.594	7.382	0.001	Mediating
H7 Training → Comitment → Performance	(+) 0.552	8.866	0.002	Mediating

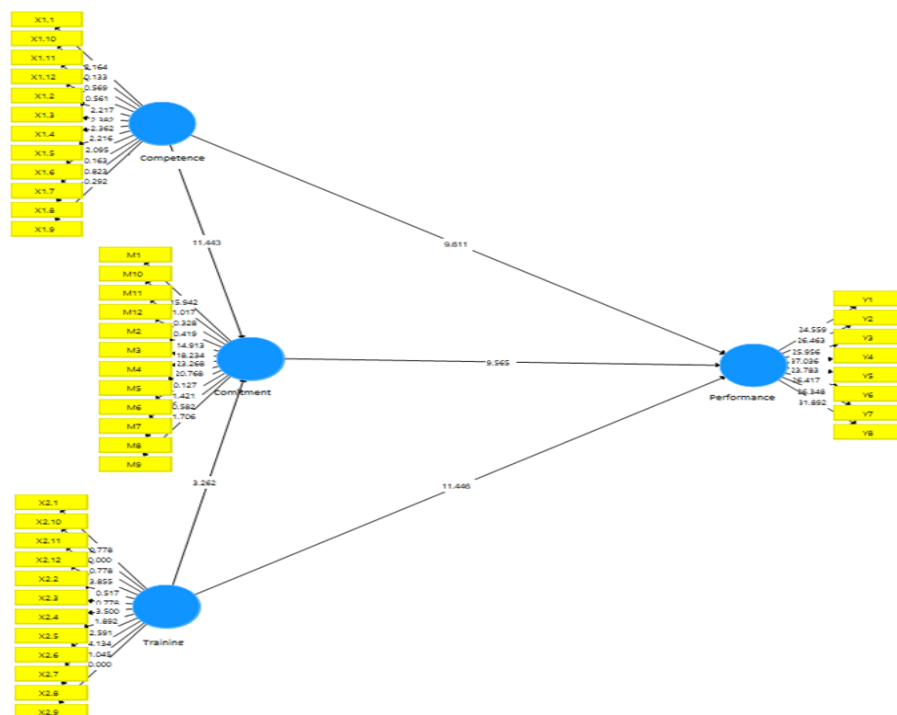


Figure 2. Model testing results

Discussion

Hypothesis 1: Competence → Performance (O = 0.546; T = 9.611; p = 0.012). The positive, moderately strong, and statistically significant coefficient (0.546) indicates that greater employee competence is associated with improved in-role performance. In practice, human resources with appropriate skills, knowledge, and abilities can produce higher-quality work outputs and perform their tasks more effectively. Empirical studies and contemporary literature consistently demonstrate a positive relationship between competence (skills and abilities) and individual performance. Training and competency development initiatives tend to enhance productivity, work quality, and task effectiveness. From the Resource-Based View (RBV) perspective, employee competence constitutes a form of human capital, an internal organizational resource that is valuable and capable of generating competitive advantage when it is specific, accumulated, and well integrated. The findings of Hypothesis 1 are consistent with RBV predictions, which assert that improving the quality of internal resources (competence) strengthens organizational capabilities and ultimately enhances performance. Gerhart and Feng (2021) emphasize the role of human capital and human resource practices as key sources of heterogeneity across organizations. From a managerial standpoint, competency-based recruitment, structured career development programs, and continuous competency assessments are effective strategies for improving employee performance and sustaining organizational effectiveness.

Hypothesis 2: Training → Performance (O = 0.559; T = 11.446; p = 0.001) The coefficient of 0.559, which is positive and statistically significant, indicates that training has a direct and relatively strong effect on employee performance. This finding suggests that well-designed training interventions can enhance employees' work capabilities and improve performance outcomes. Meta-analyses and cross-national studies have consistently shown that investments in training are positively

associated with organizational outcomes, including performance. However, the magnitude of this effect depends on training design, organizational context, and the extent to which training is effectively transferred to the workplace. Training serves as a mechanism for transforming human resources into valuable organizational capabilities, particularly when it develops firm-specific skills that competitors are hard-pressed to imitate. From a Resource-Based View (RBV) perspective, investment in human resource practices, such as training, contributes to the development of durable, valuable resources. When training enhances unique knowledge and competencies, it enables organizations to achieve sustainable competitive advantage. Gerhart and Feng (2021) highlight that well-designed HR practices can create firm-specific value. Organizations should design training programs that are closely aligned with job requirements, emphasize on-the-job application, and incorporate return-on-investment (ROI) evaluations to ensure that training initiatives translate into improved employee performance.

Hypothesis 3: Competence → Organizational Commitment ($O = 0.952$; $T = 11.443$; $p = 0.003$) The very high coefficient (0.952) indicates a strong relationship between employee competence and organizational commitment in this sample. This finding suggests that more competent employees tend to report higher levels of organizational commitment. Competence may foster confidence, autonomy, and repeated experiences of success, which in turn strengthen employees' emotional or affective attachment to the organization. Previous research has demonstrated a positive relationship between competency development through training, career development, and recognition, and various dimensions of organizational commitment, particularly affective commitment. Employees who perceive that the organization invests in their competence are more likely to feel valued, thereby increasing their level of commitment. Organizational commitment can also be viewed as a mechanism for retaining valuable human resources. From the RBV perspective, organizations that successfully cultivate both competence and commitment are more likely to preserve human resources that are difficult to imitate, due to the unique combination of skills, loyalty, and organization-specific experience. Gerhart and Feng (2021) emphasize the importance of HR context in sustaining human capital over time. Organizations should develop structured career development programs and clear competency development pathways. HR practices that prioritize employee growth and long-term development are likely to strengthen organizational commitment and support sustainable performance outcomes.

Hypothesis 4: Training → Organizational Commitment ($O = 0.440$; $T = 9.262$; $p = 0.003$) The positive and statistically significant coefficient (0.440) indicates that training contributes to the enhancement of organizational commitment, although its effect is smaller than that of competence. Consistent training initiatives signal organizational investment in employees, which fosters a sense of attachment and belonging. Numerous studies have shown that training perceived as fair, relevant, and offering opportunities for personal and professional growth strengthens employees' affective commitment and their intention to remain with the organization. However, the magnitude of this effect depends on the quality of training design and the level of managerial support. Training serves as a human resource practice that nurtures valuable organizational resources. When training also enhances commitment, organizations not only develop employee capabilities but also reduce the risk of losing those valuable resources. From an RBV perspective, this

combination is particularly valuable, as training investments strengthen both the retention and accumulation of human capital that is difficult to imitate. Organizations should ensure that training programs are relevant to job requirements and clearly linked to career development pathways. Incorporating recognition and feedback mechanisms can further reinforce the positive impact of training on organizational commitment.

Hypothesis 5: Organizational Commitment → Performance (O = 0.569; T = 9.565; p = 0.001) The positive and significant effect of organizational commitment on performance confirms the role of commitment – particularly affective commitment – as a key predictor of work behaviors that enhance task outcomes. Employees with higher levels of commitment tend to demonstrate greater intrinsic motivation, stronger in-role performance, and contextual behaviors that support overall organizational effectiveness. The literature consistently reports a positive relationship between organizational commitment and both in-role and contextual performance. However, the magnitude of the relationship varies across commitment dimensions, with affective commitment exerting a more decisive influence than normative or continuance commitment. Commitment extends the value of human capital by aligning employees' capabilities with organizational goals, thereby maximizing their contribution to performance. Within the RBV framework, organizational commitment helps preserve and optimize the value of human capital, thereby leading to more stable and sustainable performance outcomes. Gerhart and Feng (2021) emphasize that HR capabilities must be continuously maintained and strategically directed to generate competitive advantage. To enhance performance, organizations should strengthen factors that influence affective commitment, such as supportive leadership, organizational justice, and continuous development opportunities.

Hypothesis 6: Competence → Organizational Commitment → Performance (Mediation) (O = 0.594; T = 7.382; p = 0.001) The significant mediation effect indicates that a substantial portion of the influence of competence on performance is transmitted through organizational commitment. In other words, competence enhances organizational commitment (H3), which in turn improves performance (H5), demonstrating the presence of an important indirect pathway alongside the direct effect of competence on performance. Numerous studies have identified psychological mediators – such as organizational commitment, employee engagement, and self-efficacy – in the relationship between human resource investments (competence development and training) and performance outcomes. This finding reinforces the notion that the effects of HR practices on performance often operate through employees' attitudinal and psychological mechanisms. From the Resource-Based View (RBV) perspective, the value of organizational resources lies not only in their technical attributes (competence) but also in the combination of attributes that make them difficult to imitate. Organizational commitment serves as a condition that preserves and directs the effective utilization of competence, thereby strengthening the VRIN characteristics (valuable, rare, inimitable, and non-substitutable) of human resources when competence and commitment are combined. This mediation result supports the argument that effective HR capabilities consist of a sustainable combination of skills and attitudes. Competency development initiatives should be accompanied by HR policies that foster employee

commitment—such as clear career paths, fair reward systems, and supportive organizational culture—to maximize their impact on performance.

Hypothesis 7: Training → Organizational Commitment → Performance (Mediation) ($O = 0.552$; $T = 8.866$; $p = 0.002$). The significant mediation effect indicates that training enhances performance not only directly but also indirectly through increased organizational commitment. Training programs perceived as useful and relevant strengthen employees' sense of attachment and loyalty, which, in turn, influences their work behavior and performance. Contemporary studies consistently identify organizational commitment or employee engagement as common mediators between HR practices—including training—and performance outcomes. Meta-analytic evidence further suggests that the magnitude of this effect depends on the training design and the degree of integration with organizational strategy. As an HR practice, training contributes to the development of organizational capabilities. When training is simultaneously aligned with commitment, organizations acquire a combination of resources, skills, and loyalty that is more difficult for competitors to replicate. This synergy lies at the core of the RBV argument for sustainable competitive advantage. Organizations should design training programs that not only facilitate skill transfer but also strengthen the employee–organization relationship, for example, through cohort-based learning, mentoring systems, and recognition mechanisms, in order to enhance the mediating effect of organizational commitment on performance.

CONCLUSION

Based on SEM-PLS data analysis and hypothesis testing, this study provides several important findings regarding the effects of competence and training on employee performance, with organizational commitment as a mediating variable, in the Department of Industry and Trade of Malinau Regency. First, competence has been shown to have a positive and significant effect on employee performance. This indicates that higher levels of employee competence encompassing technical skills, knowledge, and interpersonal abilities lead to better performance outcomes. Competence also has a strong positive effect on organizational commitment, suggesting that employees with higher capabilities tend to exhibit stronger attachment and loyalty to the organization.

Second, training has a positive and significant impact on employee performance. Relevant, well-structured, and continuous training programs enhance employees' ability to perform their duties effectively, thereby improving performance. In addition, training is found to increase organizational commitment significantly, indicating that organizations that invest in employee training are perceived as supporting career development and long-term growth.

Third, organizational commitment plays a central role by positively influencing employee performance. Moreover, commitment is shown to mediate the relationship between competence and performance, as well as between training and performance. This finding suggests that competence and training affect performance not only directly but also indirectly through enhanced organizational commitment. With an R-square value of 0.847, the proposed research model explains 84.7% of the variance in employee performance. These findings underscore that competence, training, and organizational commitment are strategic factors in determining employee performance, particularly within local government institutions.

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