

# The Role of Competencies in Encouraging Organizational Commitment through Organizational Culture

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## Abstract

This study aims to analyze the effect of Competence and Motivation on Organizational Commitment with Organizational Culture as an intervening variable at the Representative Office of Bank Indonesia in Medan, North Sumatra, and Aceh. This research employs a quantitative approach using the Structural Equation Modeling (SEM) method based on SmartPLS 3.0. The research sample consists of employees working at the Representative Office of Bank Indonesia in Medan and Aceh, selected using purposive sampling techniques. Data were collected through questionnaires distributed using a Likert scale ranging from 1 to 5. The results indicate that Competence and Motivation have a positive and significant effect on Organizational Culture, and Organizational Culture has a significant effect on Organizational Commitment. Competence also has a direct and significant effect on Organizational Commitment, while Motivation does not have a direct effect on Organizational Commitment. However, Organizational Culture is proven to significantly mediate the relationship between Competence and Motivation on Organizational Commitment. Therefore, Organizational Culture plays an essential role in strengthening the influence of Competence and Motivation on enhancing employees' Organizational Commitment.

**Keywords:** Competence, Motivation, Organizational Commitment, Organizational Culture.

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## Introduction

Changes in the business environment, advancements in digital technology, and public expectations for high-quality public services demand organizations to undergo transformation not only in systems and technology but also in human resource management as the primary driver of the organization. The Representative Office of Bank Indonesia (BI) for North Sumatra and Aceh is an important institution tasked with maintaining monetary stability, payment systems, and the financial system in the North Sumatra and Aceh regions. In carrying out this strategic role, BI requires human resources who not only possess high technical competence and professionalism but also strong motivation and commitment to the institution's vision and mission. Moreover, BI is known for having a distinctive organizational culture that demands high integrity, discipline, and cooperation from every employee. However, in practice, challenges such as regulatory changes, technological demands, and workplace dynamics can affect employee motivation and commitment levels. Changing economic environments and increasingly complex monetary policies demand strategic institutions like Bank Indonesia to have human resources (HR) who are not only technically superior but also possess high integrity and organizational commitment. In the era of rapid digital transformation and global economic change, Bank Indonesia plays a central role in maintaining the stability of the rupiah's value, inflation, and the national financial system. Organizational commitment is an important indicator that determines an institution's success in achieving long-term goals. Employees with high commitment tend to show loyalty, a sense of belonging, and a willingness to contribute their best to the organization. Conversely, low commitment can lead to increased turnover intention, decreased work motivation, and weakened coordination and collaboration among employees. Competence is the main foundation determining an individual's effectiveness in carrying out their roles and responsibilities. Competence encompasses a combination of knowledge, skills, and attitudes that enable a person to work effectively in their job context. Previous research confirms that high competence will significantly contribute to increased employee performance and commitment to the organization (Wibowo & Adi, 2021). Furthermore, competence that aligns with organizational needs has also been proven to increase job satisfaction and employee loyalty, as individuals feel capable of contributing meaningfully to achieving institutional goals (Sutrisno, 2020). In the context of Bank Indonesia, mastery of competence includes not only technical expertise in economics, finance, and monetary fields but also behavioral skills such as leadership, communication, cross-unit collaboration, and digital innovation. Therefore, enhancing employee competence is a prerequisite for strengthening motivation, internalizing organizational culture, and forming sustainable organizational commitment. Phenomena within the Bank Indonesia environment indicate that challenges in maintaining and strengthening organizational commitment still need attention. Based on the Bank Indonesia Employee Engagement Survey (2023), employee engagement levels are in the "good" category with a score of 73%, but have not yet reached the organizational target of 80%. The survey results indicate room for improvement in the engagement and commitment dimensions, especially among young employees and functional groups experiencing high workloads and rapid job mobility. This phenomenon is reinforced by the results of the Bank Indonesia Human Capital Review (2023), highlighting differences in perception between senior and millennial generations regarding loyalty and career orientation, where younger employees tend to emphasize work-life balance and flexibility, while senior generations focus more on stability and structural hierarchy. Motivation is the main driver that encourages employees to use their competencies optimally and contribute positively to the

organization. Motivation, in the context of modern organizations, is defined as internal or external drives that move individuals to achieve specific goals (Robbins & Judge, 2019). Employees with high motivation tend to show dedication, perseverance, and sincerity in their work, which ultimately strengthens organizational commitment. In the Bank Indonesia work environment, employee motivation can be influenced by various factors such as the reward system, career development opportunities, clarity of organizational goals, and a conducive work climate. Results from the Bank Indonesia internal job satisfaction survey in 2024 show that some employees feel they have not received a balance between workload and the rewards received, which impacts intrinsic motivation. This phenomenon shows the importance of effective motivation management to maintain optimal performance and long-term commitment. Organizational culture reflects the shared system of meaning held by members of an organization, which distinguishes one organization from another (Schein, 2010). Values such as integrity, professionalism, synergy, and excellence promoted by Bank Indonesia should not only be institutional slogans but should be internalized in every action and decision of employees at all operational levels. A strong organizational culture functions as a glue that unites individuals in aligned value orientations and work behaviors with organizational goals (Iskamto, 2023). In the context of the Bank Indonesia Medan Representative Office, observation results and internal HR findings show dynamics in work culture that have begun to shift along with the digitalization process and restructuring of work unit roles. Some employees, especially younger generations, show individualistic tendencies and a preference for high work flexibility, which on one hand increases efficiency, but on the other hand potentially reduces cohesion and cross-unit communication. A positive organizational culture will strengthen motivation and loyalty, and create a work environment that supports long-term commitment to the organization (Dirwan et al., 2024; Lok & Crawford, 2004). In this context, organizational culture becomes a medium that harmonizes individual factors (such as competence and motivation) with organizational collective outcomes (such as commitment and performance).

Although Bank Indonesia has undertaken various strategic initiatives to strengthen human resource quality, such as through the Leadership Development Framework, BI Learning Center, and competency-based performance appraisal systems, the gap between organizational expectations and field realization is still visible. Several internal survey results show that improvements in competence have not fully directly impacted the increase in organizational commitment, especially among young employees and those who have recently undergone job rotations (Human Capital Review BI, 2023). This condition indicates the possible role of mediating factors like organizational culture, which becomes an important bridge connecting competence and motivation with employee commitment to the organization. Furthermore, the Bank Indonesia Representative Offices for North Sumatra and Aceh Provinces have unique characteristics as they operate in the strategic region of North Sumatra, which has high regional economic dynamics, and coordination complexities with local government agencies, MSME actors, and financial institutions. This complexity demands employees who are not only technically competent but also have strong commitment to organizational values and work culture alignment.

### **Problem Formulation**

1. Does Competence have a positive and significant effect on Organizational Commitment at the Bank Indonesia Representative Office for North Sumatra and Aceh Provinces?

2. Does Motivation have a positive and significant effect on Organizational Commitment at the Bank Indonesia Representative Office for North Sumatra and Aceh Provinces?
3. Does Competence have a positive and significant effect on Organizational Culture at the Bank Indonesia Representative Office for North Sumatra and Aceh Provinces?
4. Does Motivation have a positive and significant effect on Organizational Commitment at the Bank Indonesia Representative Office for North Sumatra and Aceh Provinces? (Note: This appears to be a duplicate of question 2 in the original, but I have translated as written.)
5. Does Organizational Culture have a positive and significant effect on Organizational Commitment at the Bank Indonesia Representative Office for North Sumatra and Aceh Provinces?
6. Does Competence have a positive and significant effect on Organizational Commitment with Organizational Culture as an intervening variable at the Bank Indonesia Representative Office for North Sumatra and Aceh Provinces?
7. Does Motivation have a positive and significant effect on Organizational Commitment with Organizational Culture as an intervening variable at the Bank Indonesia Representative Office for North Sumatra and Aceh Provinces?

### **Research Objectives**

1. To test and analyze the effect of Competence on Organizational Commitment at the Bank Indonesia Representative Office for North Sumatra and Aceh Provinces.
2. To test and analyze the effect of Motivation on Organizational Commitment at the Bank Indonesia Representative Office for North Sumatra and Aceh Provinces.
3. To test and analyze the effect of Competence on Organizational Culture at the Bank Indonesia Representative Office for North Sumatra and Aceh Provinces.
4. To test and analyze the effect of Motivation on Organizational Culture at the Bank Indonesia Representative Office for North Sumatra and Aceh Provinces.
5. To test and analyze the effect of Organizational Culture on Organizational Commitment at the Bank Indonesia Representative Office for North Sumatra and Aceh Provinces.
6. To test and analyze the effect of Competence on Organizational Commitment with Organizational Culture as an intervening variable at the Bank Indonesia Representative Office for North Sumatra and Aceh Provinces.
7. To test and analyze the effect of Motivation on Organizational Commitment with Organizational Culture as an intervening variable at the Bank Indonesia Representative Office for North Sumatra and Aceh Provinces.

### **Literature Review**

#### **Organizational Commitment**

According to Wibawa et al (2019), organizational commitment is viewed as a value orientation towards the organization that indicates individual thinking and prioritizes their work and organization.

#### **Indicators of Organizational Commitment**

According to Wibawa et al (2019), organizational commitment is viewed as a value orientation towards the organization that indicates individual thinking and prioritizes their work and organization. The following are the indicators of organizational commitment:

- a. Affective commitment: relates to the employee's emotional attachment to the organization.

- b. Continuance commitment: relates to the employee's awareness of the losses incurred if they leave the organization.
- c. Normative commitment: describes the feeling of obligation to remain in the organization.

### **Competence**

According to Spencer & Spencer (in Sutrisno, 2016), Competence is the fundamental characteristics possessed by a person that are related to the effectiveness of individual performance in their job. Competence needs to be continuously developed to align with changes in the work environment.

### **Indicators of Competence**

Indicators of Competence according to Spencer & Spencer (in Sutrisno, 2016):

- a. Motive: psychological drives that direct a person to act.
- b. Personal traits: innate characteristics that distinguish a person in certain situations.
- c. Self-concept: attitudes, values, or self-image possessed by an individual.
- d. Knowledge: information possessed by a person in a specific field.
- e. Skills: the ability to perform a physical or mental task.
- f. Personal and social values: moral and ethical principles that influence work behavior.

### **Motivation**

According to Hafidzi et al (2019), motivation is the provision of driving force that creates a person's work enthusiasm so that they are able to cooperate, work effectively, and be integrated with all their efforts to achieve satisfaction.

### **Indicators of Motivation**

According to Hafidzi et al (2019), the indicators of motivation are:

- a. Physical Needs, the need for supporting facilities available at the workplace, for example facilities to facilitate task completion in the office.
- b. Security Needs, needs for safety, including physical safety, stability, dependence, protection, and freedom from threatening forces such as: fear, anxiety, danger.
- c. Social Needs: needs that must be met based on shared interests in society, these needs are met collectively, for example good interaction among peers.
- d. Esteem Needs: the need for recognition for what has been achieved by a person, for example the need for status, prestige, attention, reputation.
- e. Need for Drive to Achieve Goals: the need for drive to achieve something desired, for example motivation from leadership.

### **Organizational Culture**

According to Hari (2019), organizational culture is: Organizational culture is the values that serve as guidelines for human resources in carrying out their duties and behavior within the organization.

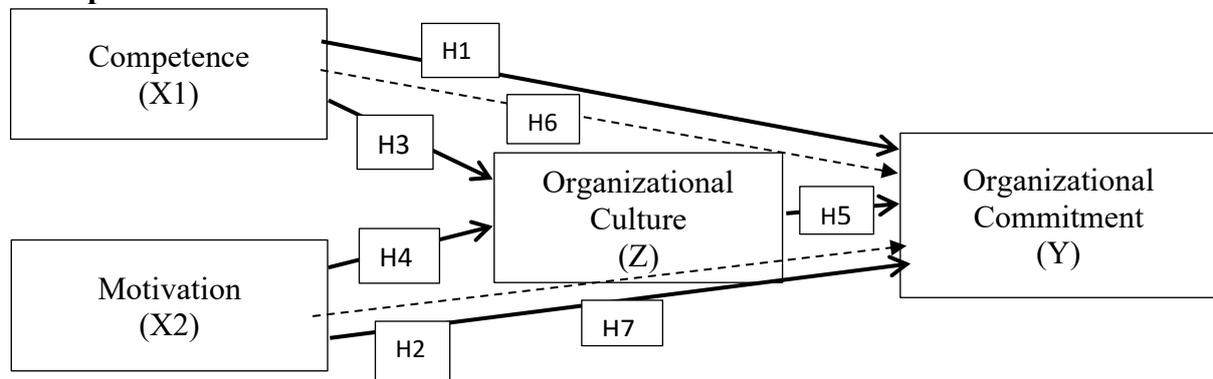
### **Indicators of Organizational Culture**

Indicators of Organizational Culture according to Hari (2019) are as follows:

- a. Innovation Risk-Taking That every employee will pay sensitive attention to all problems that may pose a risk of loss for the entire organizational group.
- b. Attention to Detail in Every Problem. Describes the thoroughness and accuracy of employees in performing their duties.

- c. Outcome Orientation. A manager's supervision of subordinates is one way for the manager to direct and empower them. Through this supervision, the goals of the organization and the group and its members can be explained.
- d. People Orientation. The success or performance of the organization is partly determined by teamwork, where teamwork can be formed if the manager can supervise subordinates well.
- e. Aggressiveness in Work. High productivity can be produced if employee performance meets the standards required for their tasks. Good performance includes qualifications and skills (ability and skill) that meet productivity requirements and must be accompanied by high discipline and diligence.
- f. Maintaining and Preserving Work Stability. Employees must be able to maintain their health condition to remain excellent. Such conditions can only be met if they regularly consume nutritious food based on the advice of a nutritionist.
- e. Aggressive in work. High productivity can be produced if the performance of employees can meet the standards needed to perform their duties. Good performance is intended, among others, to qualify as a skill that can meet productivity requirements and must be followed with high discipline and work.

### Conceptual Framework



**Figure 1.** Conceptual Framework

### Hypotheses

- H1 Competence has a positive and significant effect on Organizational Commitment at the Bank Indonesia Representative Office for North Sumatra and Aceh Provinces.
- H2 Motivation has a positive and significant effect on Organizational Commitment at the Bank Indonesia Representative Office for North Sumatra and Aceh Provinces.
- H3 Competence has a positive and significant effect on Organizational Culture at the Bank Indonesia Representative Office for North Sumatra and Aceh Provinces.
- H4 Motivation has a positive and significant effect on Organizational Culture at the Bank Indonesia Representative Office for North Sumatra and Aceh Provinces.
- H5 Organizational Culture has a positive and significant effect on Organizational Commitment at the Bank Indonesia Representative Office for North Sumatra and Aceh Provinces.
- H6 Competence has a positive and significant effect on Organizational Commitment with Organizational Culture as an intervening variable at the Bank Indonesia Representative Office for North Sumatra and Aceh Provinces.

H7 Motivation has a positive and significant effect on Organizational Commitment with Organizational Culture as an intervening variable at the Bank Indonesia Representative Office for North Sumatra and Aceh Provinces.

## **Research Methodology**

### **Research Type**

According to Kuncoro (2021), quantitative data is data that can be measured and calculated directly, concerning information or explanations in the form of numbers or statistics.

### **Research Location and Time**

The research location is at the Bank Indonesia Representative Office for North Sumatra Province, Jl. Balai Kota No. 4, Medan, North Sumatra 20111 and the Bank Indonesia Representative Office for Aceh, Jl. Cut Meutia No. 15, Banda Aceh. The research was conducted for 2 months starting in November 2025.

### **Research Population**

The research population totals 80 executive employees at the Bank Indonesia Representative Office for North Sumatra (60 employees) and the Bank Indonesia Representative Office for Aceh (20 executive employees). According to Sugiyono (2020), population is the generalization area consisting of objects or subjects that have certain qualities and characteristics determined by the researcher to be studied and then conclusions are drawn.

### **Research Sample**

The sample to be used is the entire population at the Bank Indonesia Representative Offices for North Sumatra Province and Aceh, totaling 80 employees, and the sampling technique used is saturated sampling. According to Sugiyono (2020), a sample is a part of the number and characteristics possessed by the population, so the number of samples taken must be able to represent the population in the research.

### **Research Data Sources**

The data source used in this research is primary data. According to (Ahyar et al, 2020), primary data is data obtained directly from the research subjects. Primary data is collected by the researcher to answer the research questions.

### **Data Collection Technique**

The data collection technique used is a questionnaire, distributed to the research respondents. According to Sugiyono (2020), a questionnaire is a data collection technique carried out by providing a set of questions related to the object under study, given one by one to respondents directly related to the object of research.

### **Data Analysis Technique**

According to Ghozali (2015), the Partial Least Square (PLS) method is a variance-based structural equation model (PLS) that uses indicators (manifest variables) to represent measurable and latent (not immediately measurable) variables. Furthermore, regarding the application of Structural Equation Model (SEM) together with PLS (Partial Least Square) estimation for data analysis, the researcher uses guidelines regarding the minimum sample size

in SEM-PLS, as stated by Hair et al. (2015). There are two (2) methods available to determine the minimum sample size in SEM-PLS, namely the Rule of Thumb and Power Analysis. According to Sugiyono (2020), verificative analysis is to check the truth or not if explained to test a method with or without improvements that have been implemented elsewhere by solving problems similar to life. Verificative analysis in this research uses statistical test tools, namely variance-based structural equation testing or better known as Partial Least Square (PLS).

### **Measurement Model Analysis (Outer Model)**

As stated by Jogiyanto (2015), model correction is done to increase instrument validity and reliability. The validity test is used to determine the level of understanding of each intrusive person. Conversely, test reliability is used to know the consistency of the measuring instrument used. Convergent and discriminant validity can be used to assess the validity of an assessment. Convergent validity can be assessed by looking at the factor loadings or outer loadings. Validity is indicated by an indicator if its value is more than 0.5% or 50%. The closer it is to one, the more accurate the indicator is said to be. One way to evaluate discriminant validity is by looking at the AVE (Average Variance Extracted) value. If AVE is greater than 0.5%, the data is considered cross-valid. The reliability test aims to assess whether the measurement indicators of latent variables are reliable or not. It is done by evaluating the outer loading results of each indicator. A loading value above 0.7 indicates that the construct can explain more than 50% of the indicator's variance.

### **Structural Model Analysis (Inner Model)**

Assessing the predictive power of the structural model begins by determining whether the constructs are correlated or not. Then proceed to measure the model's predictive capacity using three criteria: path coefficient or path coefficient, effect size ( $f^2$ ), and coefficient of determination ( $R^2$ ).

1. Variance Inflation Factor (VIF)
2. Coefficient of Determination ( $R^2$ )

### **Path Coefficients or Path Coefficients**

Furthermore, measurement of path coefficients between constructs is conducted to see the significance and strength of the relationship and also to test hypotheses. Path coefficient values range between -1 and +1, the closer to +1 or -1, the stronger the relationship between the two constructs.

### **Hypothesis Testing**

The bootstrapping procedure in the research produces t-statistic values for each relationship path used to test the hypotheses. These t-statistic values will be compared with the t-table value. The research uses a 95% confidence level so the precision level or limit of inaccuracy ( $\alpha$ ) = 5% = 0.05.

## **Results**

### **Outer Model Analysis**

The measurement model (outer model) test is used to determine the relationship between latent variables and observed variables. This test consists of convergent validity, discriminant validity, and reliability.

### **Convergent Validity**

Convergent validity is used to assess the validity of each indicator against its underlying latent variable. Validity results can be seen in the outer loading table in SmartPLS software. The external loading table contains numbers or values indicating the similarity between the indicator and the construct variable. An indicator is said to be reliable if it has a value greater than 0.7 in explaining the construct variable. The structural model illustration for this research is depicted in the upcoming figure.

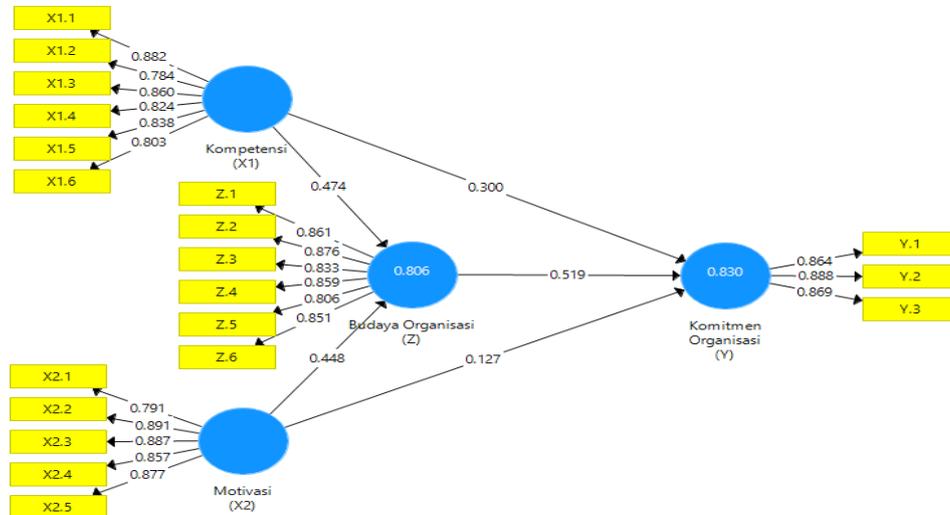


Figure 2. Outer Model

Sources : Smart PLS 3.3.3.

Smart PLS output for loading factor provides results in the following table Outer Loadings In this research, there is an equation and that equation consists of two substructures for substructure 1

$$Z = b1X1 + b2X2 + e1$$

$$Z = 0,474 + 0,448 + e1$$

For substructure 2

$$Y = b3X1 + b4X2 + b5Z + e2$$

$$Y = 0,300 + 0,127 + 0,519 + e2$$

Table 1. Outer Loadings

	Organizational Culture_(Z)	Organizational Commitment_(Y)	Competence_(X1)	Motivation_(X2)
X1.1			0,882	
X1.2			0,784	
X1.3			0,860	
X1.4			0,824	
X1.5			0,838	
X1.6			0,803	
X2.1				0,791
X2.2				0,891
X2.3				0,887
X2.4				0,857
X2.5				0,877
Y.1		0,864		
Y.2		0,888		

<b>Y.3</b>		<b>0,869</b>		
<b>Z.1</b>	<b>0,861</b>			
<b>Z.2</b>	<b>0,876</b>			
<b>Z.3</b>	<b>0,833</b>			
<b>Z.4</b>	<b>0,859</b>			
<b>Z.5</b>	<b>0,806</b>			
<b>Z.6</b>	<b>0,851</b>			

Sources : Smart PLS 3.3.3.

The outer loading test results show that all indicators for the Competence (X1), Motivation (X2), Organizational Commitment (Y), and Organizational Culture (Z) variables have loading values above 0.70. Competence indicators (X1.1--X1.6) have values between 0.803 and 0.882, while Motivation indicators (X2.1--X2.5) are in the range of 0.791 to 0.891. Organizational Commitment indicators (Y1--Y3) have values from 0.864 to 0.888, and Organizational Culture indicators (Z1--Z6) range from 0.806 to 0.876. Thus, all indicators are declared valid and able to reflect the constructs optimally and do not need to be eliminated from the research model.

### Discriminant Validity

Analyzing the cross loading table can help determine discriminant validity. These results are used to assess discriminant validity at the indicator level, where the indicator should have a higher correlation with its latent variable compared to other latent variables (outside the block). To understand better, see the table available below:

**Table 2.** Discriminant Validity

	<b>Organizational Culture (Z)</b>	<b>Organizational Commitment (Y)</b>	<b>Competence (X1)</b>	<b>Motivation (X2)</b>
<b>X1.1</b>	0,776	0,741	<b>0,882</b>	0,806
<b>X1.2</b>	0,760	0,761	<b>0,784</b>	0,677
<b>X1.3</b>	0,740	0,731	<b>0,860</b>	0,738
<b>X1.4</b>	0,665	0,667	<b>0,824</b>	0,730
<b>X1.5</b>	0,717	0,688	<b>0,838</b>	0,801
<b>X1.6</b>	0,699	0,733	<b>0,803</b>	0,711
<b>X2.1</b>	0,732	0,772	0,695	<b>0,791</b>
<b>X2.2</b>	0,752	0,684	0,764	<b>0,891</b>
<b>X2.3</b>	0,753	0,713	0,798	<b>0,887</b>
<b>X2.4</b>	0,732	0,763	0,822	<b>0,857</b>
<b>X2.5</b>	0,782	0,711	0,767	<b>0,877</b>
<b>Y.1</b>	0,766	<b>0,864</b>	0,742	0,720
<b>Y.2</b>	0,799	<b>0,888</b>	0,766	0,754

<b>Y.3</b>	0,771	<b>0,869</b>	0,765	0,747
<b>Z.1</b>	<b>0,861</b>	0,726	0,750	0,797
<b>Z.2</b>	<b>0,876</b>	0,778	0,760	0,737
<b>Z.3</b>	<b>0,833</b>	0,723	0,732	0,733
<b>Z.4</b>	<b>0,859</b>	0,766	0,786	0,821
<b>Z.5</b>	<b>0,806</b>	0,734	0,694	0,647
<b>Z.6</b>	<b>0,851</b>	0,808	0,724	0,694

Sources : Smart PLS 3.3.3.

The analysis results show that each indicator has a higher correlation with its own construct compared to other constructs. Competence indicators (X1) have the highest loading values on variable X1, ranging from 0.784 to 0.882. Motivation indicators (X2) also show a strong correlation with their construct with the highest loading value of 0.891. Organizational Commitment indicators (Y1--Y3) have strong correlations on variable Y with loading values of 0.864--0.888. Meanwhile, Organizational Culture indicators (Z1--Z6) show the highest correlation to Z, with the highest loading value of 0.876. These findings confirm that all indicators better represent their original constructs compared to other constructs, thus declared valid for use in the research model.

### Composite reliability

The upcoming assessment calculates reliability values by considering the composite reliability of each component. A construct is said to be reliable if the composite reliability value is equal to or exceeds 0.6. If the Cronbach's alpha value exceeds 0.7 then all constructs in that block are considered reliable for each variable construct. Furthermore, if the AVE value is higher than 0.7 then each variable construct is considered valid. The following table presents the variable construct loading values obtained from the use of Smart PLS software.

**Table 3.** Construct Reliability and Validity

	<b>Cronbach's Alpha</b>	<b>Composite Reliability</b>	<b>Average Variance Extracted (AVE)</b>
<b>Organizational Culture_(Z)</b>	<b>0,922</b>	<b>0,939</b>	<b>0,719</b>
<b>Organizational Commitment_(Y)</b>	<b>0,845</b>	<b>0,906</b>	<b>0,763</b>
<b>Competence_(X1)</b>	<b>0,911</b>	<b>0,931</b>	<b>0,693</b>
<b>Motivation_(X2)</b>	<b>0,913</b>	<b>0,935</b>	<b>0,742</b>

Sources : Smart PLS 3.3.3.

The cross loading results show that each indicator has a higher loading value on its respective construct compared to other constructs. Indicators on the Competence variable (X1) have the highest value on X1 compared to other variables, similarly Motivation indicators (X2) show the greatest value on construct X2. Organizational Commitment (Y) and Organizational Culture (Z) indicators also have the highest loading values on their respective constructs. Thus, all indicators are declared valid because they can explain their original constructs more strongly than other constructs, thereby meeting discriminant validity criteria.

### Analysis Inner Model

The inner model assessment is done to verify the stability and accuracy of the created structural model. Several indicators are used in evaluating the structural model for the analysis stage.

### Coefficient of Determination (R<sup>2</sup>)

The data analysis results conducted using SmartPLS 3.0 software show the R Square values as follows:

**Table 4.** R Square Results

	R Square	Adjusted R Square
<b>Organizational Culture_(Z)</b>	0,806	0,802
<b>Organizational Commitment_(Y)</b>	0,830	0,826

Sources : Smart PLS 3.3.3.

The R-Square test results show that the Organizational Culture variable (Z) has an R-Square value of 0.806, which means that the independent variables are able to explain 80.6% of the variance in Organizational Culture. Meanwhile, Organizational Commitment (Y) has an R-Square value of 0.830, which means that 83% of the variance in Organizational Commitment can be explained by the variables that influence it. The Adjusted R-Square values are 0.802 and 0.826 respectively, which shows that the model has very good predictive ability.

### Hypothesis Testing

After examining the internal model, the next step is to evaluate the relationship between latent constructs according to the hypotheses in this research. Hypothesis analysis in this research uses T-Statistics and P-Values. A hypothesis is considered accepted if the T-Statistics value is > 1.96 and the P-Value is < 0.05. This is the Path Coefficients output of the direct effect:

**Table 5.** Path Coefficients (Direct Effect)

	Sample Original (O)	T Statistik ( O/STDEV )	P Values	Results
<b>Organizational Culture_(Z) -&gt; Organizational Commitment_(Y)</b>	0,519	5,037	<b>0,000</b>	<b>Accepted</b>
<b>Competence_(X1) -&gt; Organizational Culture (Z)</b>	0,474	5,450	<b>0,000</b>	<b>Accepted</b>
<b>Competence_(X1) -&gt; Organizational Commitment_(Y)</b>	0,300	2,987	<b>0,001</b>	<b>Accepted</b>
<b>Motivation_(X2) -&gt; Organizational Culture (Z)</b>	0,448	5,159	<b>0,000</b>	<b>Accepted</b>
<b>Motivation_(X2) -&gt; Organizational Commitment_(Y)</b>	0,127	1,187	<b>0,118</b>	<b>Rejected</b>

Sources : Smart PLS 3.3.3.

In table 4.5 above, there are results of the direct effect on the hypotheses, the explanation is as follows:

1. Organizational Culture has a positive and significant effect on Organizational Commitment. The results show a coefficient value of 0.519 with a p-value of 0.000, so the hypothesis is accepted. This means that the better the organizational culture, the higher the employees' commitment to the organization.
2. Competence has a positive and significant effect on Organizational Culture. With a coefficient value of 0.474 and a p-value of 0.000, the hypothesis is accepted. This means

that increasing employee competence impacts the formation of a better organizational culture.

3. Competence has a positive and significant effect on Organizational Commitment. A coefficient of 0.300 and a p-value of 0.001 show the hypothesis is accepted. This means that competent employees will have higher commitment to the organization.
4. Motivation has a positive and significant effect on Organizational Culture. With a coefficient value of 0.448 and a p-value of 0.000, the hypothesis is accepted. This means that good work motivation can strengthen organizational culture.
5. Motivation affects Organizational Commitment. The results show a coefficient of 0.127 and a p-value of 0.118, so the hypothesis is rejected. This means motivation does not have a significant effect on organizational commitment.

**Table 6.** Path Coefficients (Indirect Effect)

	Sample Original (O)	T Statistics ( O/STDEV )	P Values	Results
<b>Competence_(X1) -&gt; Organizational Culture_(Z) -&gt; Organizational Commitment_(Y)</b>	0,246	4,006	<b>0,000</b>	<b>Accepted</b>
<b>Motivation_(X2) -&gt; Organizational Culture_(Z) -&gt; Organizational Commitment_(Y)</b>	0,232	3,378	<b>0,000</b>	<b>Accepted</b>

Sources : Smart PLS 3.3.3.

6. Competence has an indirect effect on Organizational Commitment through Organizational Culture. The results show a coefficient value of 0.246 with a p-value of 0.000, so the hypothesis is accepted. This means that employee competence can increase organizational commitment more optimally if accompanied by a strong organizational culture as a mediating variable.
7. Motivation has an indirect effect on Organizational Commitment through Organizational Culture. The coefficient value of 0.232 and p-value of 0.000 show the hypothesis is accepted. This means that motivation can increase organizational commitment if strengthened through organizational culture as an intermediary.

## Conclusion

1. Organizational Culture has a positive and significant effect on Organizational Commitment. This means, the better the organizational culture within the company, the higher the employee commitment to the organization.
2. Competence has a positive and significant effect on Organizational Culture. This shows that better employee competence will strengthen organizational culture.
3. Competence has a positive and significant effect on Organizational Commitment. This means that employees who have high competence will show a greater level of organizational commitment.
4. Motivation has a positive and significant effect on Organizational Culture. This means that the higher the employee motivation, the stronger the organizational culture formed.
5. Motivation does not have a significant effect on Organizational Commitment. This means that employee motivation has not been able to directly increase organizational commitment.
6. Competence has an indirect effect on Organizational Commitment through Organizational Culture. In conclusion, organizational culture is able to become an

intermediary that strengthens the influence of competence on organizational commitment.

7. Motivation has an indirect effect on Organizational Commitment through Organizational Culture.

This shows that motivation will increase organizational commitment if supported by organizational culture as a mediator.

### Suggestions

1. Strengthening Organizational Culture. Since organizational culture has been proven to play an important role in increasing organizational commitment, management needs to strengthen organizational values through the internalization of work culture, effective communication, and leadership example.
2. Strengthening Organizational Culture. Since organizational culture has been proven to play an important role in increasing organizational commitment, management needs to strengthen organizational values through the internalization of work culture, effective communication, and leadership example.
3. Improving Employee Competence. Training, certification, and the development of technical and soft skills need to be enhanced so that employees have competence that supports their performance and commitment to the organization.
4. Optimization of Motivation Programs. Given that motivation does not have a direct effect on organizational commitment, the company needs to design more relevant and sustainable motivation programs, such as career development, performance-based awards, and fair incentive systems.
5. Building Organizational Commitment Through Positive Culture. Management needs to create a conducive, collaborative, and open work environment so that organizational culture can become an effective intermediary in increasing employee commitment.
6. Future Research. The mediating role of organizational culture can be used as a basis for strengthening theoretical models related to the relationship between competence and motivation on organizational commitment by considering other mediating variables such as work culture and organizational trust.

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