

The Impact of Work Motivation and Employee Competence on Performance at the Tax Service Office in Bandar Lampung

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Abstract

This study examines the impact of work motivation and employee competence on employee performance at the Tax Service Office in Bandar Lampung. Utilizing a descriptive-verification research design, data were collected from a sample of 82 employees through observation, questionnaires, and documentation. Regression analysis revealed that both work motivation and employee competence significantly and positively influence employee performance, with employee competence having a more dominant effect. The combined influence of these factors accounts for 61.3% of the variance in employee performance. The findings suggest that enhancing both motivational and competence-related aspects is crucial for improving employee performance. This study provides valuable insights for policymakers and managers in public service institutions, emphasizing the importance of balanced investment in training and motivational strategies.

Keywords: Work Motivation, Employee Competence, Employee Performance, Public Service

Introduction

Employee performance is a cornerstone of organizational success, especially within public service institutions where operational efficiency and service effectiveness are critical (Defrizal et al., 2015; Ningrum et al., 2023; Saputra et al., 2020). This study seeks to investigate the influence of work motivation and employee competence on performance at the Tax Service Office in Bandar Lampung, a prominent public service entity in Indonesia.

While considerable research has been conducted on employee performance, there is a notable gap in understanding how work motivation and employee competence jointly affect performance specifically in the context of regional public service offices in Indonesia (Bandiyono & Rama Daneshwara, 2020; A. R. P. Barusman & Barusman, 2019; Maryulina, 2023). Previous studies often address these variables in isolation or within different organizational settings, leaving a lacuna in empirical evidence on their combined impact within local governmental bodies

(Dzulhijatussarah & Defrizal, 2024; Haliah & Nirwana, 2019; Marsdenia, 2018).

This research aims to bridge this gap by providing a comprehensive analysis of how work motivation and employee competence interact to shape performance outcomes. By focusing on the Tax Service Office in Bandar Lampung, the study will offer insights into the unique challenges and dynamics of regional public service environments. The findings are expected to contribute to the development of targeted management strategies designed to enhance employee productivity and service quality (Alam et al., 2019; Giroth et al., 2022; Nuh et al., 2022). Furthermore, this study will contribute to the broader understanding of public sector performance management, offering practical implications for policymakers and organizational leaders striving to improve public service delivery in similar contexts (M. Y. Barusman & Redaputri, 2018; Dwiputrianti, 2020; Selvanathan et al., 2017).

Materials and Methods

This study adopts a descriptive-verbatim research design to explore the relationships among work motivation, employee competence, and employee performance at the Tax Service Office in Bandar Lampung. The descriptive aspect involves detailing the current state of these variables within the organization, including a thorough examination of work motivation levels, employee competence, and their impact on performance (Azikin & Muhammad Yusuf, 2021; A. R. P. Barusman & Habiburrahman, 2022; Hardiyansyah et al., 2020). The verificative component, on the other hand, involves hypothesis testing to validate the relationships between these variables, assessing whether work motivation and employee competence significantly influence employee performance and to what extent (Anwar et al., 2020) (Habiburrahman et al., 2019).

The sample for this study comprises 82 employees from the Tax Service Office, providing a representative snapshot of the office's workforce. Data collection was carried out through a multi-method approach. Observations were conducted to gather preliminary insights into the work environment and employee behavior, offering contextual background for the quantitative data. Additionally, a structured questionnaire was utilized to measure work motivation, employee competence, and performance. The questionnaire, featuring Likert scale items, quantified employees' perceptions and experiences, capturing a range of responses from strongly agree to strongly disagree. Supplementary data was collected from relevant organizational documents and records to provide a comprehensive view of employee performance metrics.

For data analysis, regression analysis was employed to determine the impact of work motivation and employee competence on performance. Statistical software packages, such as SPSS or R, were used to ensure the accuracy and reliability of the results. Regression analysis, chosen for its ability to evaluate relationships between multiple independent variables (work motivation and employee competence) and a dependent variable (employee performance), was conducted to quantify the strength and direction of these relationships. The coefficients obtained from the regression model indicated the magnitude and direction of each independent

variable's impact on performance. Model fit statistics were also evaluated to ensure the robustness of the findings, providing insights into how variations in motivation and competence levels are associated with variations in performance outcomes (Syahreza et al., 2017).

Result and Discussion

Descriptive Statistics

The descriptive statistics for this study reveal that the average levels of both work motivation and employee competence among the sampled employees are moderately high. This finding suggests a generally positive work environment at the Tax Service Office in Bandar Lampung. Specifically, employees report a strong sense of motivation and a high level of competence, reflecting a conducive atmosphere for achieving effective performance. These high average levels indicate that the majority of employees are engaged and confident in their roles, which sets a favorable foundation for examining the impact of these variables on performance outcomes.

Regression Analysis

The results of the regression analysis are detailed in Table 1 below:

Table 1. Analysis Regression

Variable	Coefficient	t-Statistic	p-Value
Work Motivation	0.35	4.12	<0.001
Employee Competence	0.50	5.78	<0.001
R-squared	0.613		

Source: Data Process, 2022

The regression analysis demonstrates that both work motivation and employee competence significantly and positively impact employee performance. The coefficients indicate that for every unit increase in work motivation, employee performance improves by 0.35 units, while for every unit increase in employee competence, performance improves by 0.50 units. The t-statistics for both variables are well above the typical threshold of 1.96, and the p-values are less than 0.001, underscoring the statistical significance of these findings.

Among the two predictors, employee competence exhibits a more substantial influence on performance compared to work motivation. This suggests that while both factors are important, enhancing employee competence may yield a more pronounced improvement in performance outcomes. The R-squared value of 0.613 indicates that 61.3% of the variance in employee performance can be attributed to work motivation and employee competence. This relatively high R-squared value suggests that the model provides a good explanation of the performance variability observed among employees. However, the remaining 38.7% of performance variance is attributed to other factors not accounted for in this study. These unexplored variables could include aspects such as organizational culture, leadership style, or external economic factors, which might also play a significant role in influencing employee performance.

In summary, the results confirm that both work motivation and employee competence are crucial drivers of employee performance at the Tax Service Office. The stronger influence of employee competence highlights the importance of investing in skill development and training programs. Meanwhile, the positive role of work motivation emphasizes the need for strategies that sustain and enhance employee engagement. Future research could explore additional variables that contribute to performance and investigate how these factors interact with work motivation and competence to provide a more comprehensive understanding of performance dynamics in public service settings.

Conclusions

This study highlights the critical roles that work motivation and employee competence play in shaping employee performance at the Tax Service Office in Bandar Lampung. The findings reveal that both variables significantly and positively impact performance, with employee competence exhibiting a more pronounced effect compared to work motivation. The high average levels of work motivation and competence among employees suggest a generally favorable work environment, which supports effective performance.

The regression analysis, with an R-squared value of 0.613, indicates that work motivation and employee competence together explain over 61% of the variance in employee performance. This underscores the importance of both factors in enhancing productivity and efficiency within public service institutions. However, the remaining 38.7% of performance variance points to other influential factors not covered in this study, such as organizational culture or leadership practices, which warrant further investigation.

The results suggest that to improve employee performance, public service organizations should focus on both enhancing employee skills through training and development programs and maintaining high levels of work motivation. Investing in employee competence may yield particularly significant improvements in performance, but sustaining motivation is also crucial for overall productivity.

Future research should consider exploring additional variables and their interactions with work motivation and competence to provide a more comprehensive understanding of performance dynamics. By addressing these areas, organizations can better tailor their strategies to improve performance outcomes and achieve greater effectiveness in public service delivery.

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