



The effect of training, development, and job satisfaction on employee performance with the mediating variable of competency (study at pt.wom finance)

Ivana¹, Eka Desy Purnama²

^{1,2}Magister Management, University Kristen Krida Wacana

ARTICLE INFO	ABSTRACT
<i>Article history:</i> Received Jul 12, 2026 Revised Jul 20, 2026 Received Aug 24, 2026 <i>Keywords:</i> Competence; Development; Employee Performance; Job satisfaction; Training.	This study aims to examine the effects of training, development, and job satisfaction on employee performance, with competence serving as a mediating variable. Employee performance is a critical factor in achieving organizational goals; therefore, efforts to enhance competence through training and development programs, as well as improving job satisfaction, are essential. This study employed a quantitative approach using a survey method involving employees as respondents. In this study, the population used is all Head Office employees at WOM Finance. The number of indicators used in this study is 15, resulting in a sample size of $15 \times 7 = 105$ respondents. Data were collected through questionnaires and analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM). The results indicate that training and development have a positive and significant effect on both competence and employee performance. Job satisfaction has a positive and significant effect on competence but does not have a significant direct effect on employee performance. Furthermore, competence has a positive and significant effect on employee performance and is proven to mediate the relationships between training, development, job satisfaction, and employee performance. These findings suggest that improving employee performance can be achieved more effectively through strengthening employee competence, supported by training, development, and job satisfaction initiatives. Therefore, organizations should optimize competency development programs as a strategic approach to enhancing employee performance. The findings of this study are expected to serve as a reference and basis for consideration for companies in understanding the vital roles that training, development, job satisfaction, and competence play in enhancing performance, thereby enabling the formulation of more effective human resource management strategies. <i>This is an open access article under the CC BY-NC license.</i>



Corresponding Author:

Ivana,
Magister of Management, University Kristen Krida Wacana
Jl. Tanjung Duren Raya No. 4, RT. 12/RW. 2, Tj. Duren Utara, Grogol Petamburan, West Jakarta City, Special Capital Region of Jakarta 11470, Indonesia
Email: leticia.ivana@outlook.com

1. INTRODUCTION

Human Resources (HR) in a company play a key role in driving the company towards achieving its goals. To face increasingly competitive business conditions, companies must have HR that is productive, competent, and adaptable to change (Amstrong, 2017). Superior and appropriate HR quality will be reflected in good employee performance, which will contribute significantly to the company's productivity, competitiveness, and long-term success (Amstrong, 2017). Therefore, employee performance management is a strategic key in modern HR management. To achieve optimal performance, organizations need to ensure that employees have adequate competencies and are supported by working conditions that foster positive work attitudes and behaviors. In this context, training and development, as well as job satisfaction, are important factors in shaping employee competency and performance (Carvalho, 2020).

One of PT. Wahana Ottomitra Multiartha, Tbk (WOM Finance)'s strategies for developing individual capabilities is providing training and development for employees. From 2022 to 2024, the percentage of employees receiving performance scores below "On Target High" increased year after year, indicating that more employees were not achieving satisfactory performance (Dessler, 2020). Job satisfaction is a crucial aspect of human resource management because it reflects the level of employee satisfaction with their work, including compensation, relationships with superiors, the work environment, and opportunities for personal development (Hamid, 2024). In organizational practice, job satisfaction is often reflected in employee engagement survey results, given that job satisfaction is a key factor in shaping employee engagement (Fonna, 2023).

Insights from prior research, when viewed alongside the situation at WOM Finance, indicate a need for further study to understand how training and development and job satisfaction influence employee performance specifically with competence acting as a mediating variable. Training and career development are two crucial factors that shape job satisfaction and employee performance. Training equips employees with the necessary technical and non-technical skills for their roles, while career development provides long-term direction and purpose. Combining the two fosters a work environment conducive to performance improvement.

Research by Arifin et al. (2019) found that competence has a significant impact on employee performance. In contrast, a study by Rosmaini and Tanjung (2019) concluded that competence has a positive but insignificant effect on employee performance. These findings are supported by Setiawan et al. (2021), who found that training influences employee performance; however, research by Sukmawati et al. (2020) indicated that training has a significant negative impact on employee performance.

The company's employee engagement level is generally high, although several indicators related to job satisfaction show relatively lower scores, particularly in the areas of operational efficiency, recognition, and retention (Fransiska, 2023). The importance of employee competency lies not only at the individual level but also reflects the achievement of overall organizational goals. Employee competency is key to addressing the increasing complexity of tasks.

The gap between previous research findings and the current situation at WOM Finance indicates the need for further research to understand the role of training & development and job satisfaction in influencing employee performance, particularly through competency as a mediating variable (Nabila, 2025). Therefore, the author will review the research entitled "The Effect of Training & Development and Job Satisfaction on Employee Performance with Competence as the Mediating Variable (A Study at PT. WOM Finance)."

The comparison of previous research findings with the conditions at WOM Finance Company indicates the need for further research to understand the role of

training & development and job satisfaction in influencing employee performance, particularly through competency as a mediating variable.

2. RESEARCH METHOD

The research objects in this study are the variables studied in the research model: training and development (X1), job satisfaction (X2), competence (Z) as a mediating variable, and employee performance (Y) among WOM Finance employees at the Head Office. All these variables are analyzed to determine their direct and indirect influence on employee performance. Data collection is interactive with data analysis, data collection is an inseparable part of data analysis activities. The data collection technique employed in this study involved distributing questionnaires using a Likert scale to examine the influence of training, development, and job satisfaction on employee performance, with competence serving as a mediating variable. In this study, the population used is all Head Office employees at WOM Finance. As of November 17, 2025, the total number of FTE Head Office employees at WOM Finance was 571. The number of indicators in this study was 15, so the sample size was $15 \times 7 = 105$ respondents.

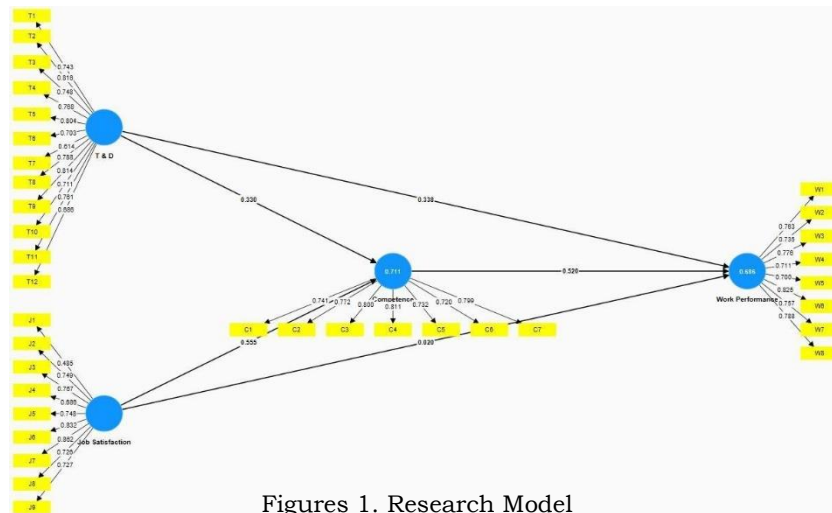
This study aims to analyze the influence of training, development, and job satisfaction on employee performance, with competency as a mediating variable. Employee performance is a crucial factor in achieving organizational goals, therefore, efforts to improve competency through training and development programs and job satisfaction are aspects that require attention. This study used a quantitative approach with a survey method involving employees as respondents. Data were collected through questionnaires and analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM).

3. RESULTS AND DISCUSSIONS

The research objects in this study are the variables studied in the research model, namely training and development (X1), job satisfaction (X2), competence (Z) as a mediating variable, and employee performance (Y) on WOM Finance employees at the Head Office. This study aims to analyze the effect of training, development, and job satisfaction on employee performance with competence as a mediating variable. This study uses a quantitative approach with a survey method involving employees as respondents. In this study, the population used is all Head Office employees at WOM Finance. The number of FTE Head Office employees at WOM Finance as of November 17, 2025, is 571 people. The number of indicators in this study is 15, so the number of samples in this study is $15 \times 7 = 105$ respondents. Data were collected through questionnaires and analyzed using the Partial Least Squares Structural Equation Modeling (PLS-SEM) method.

a. Outer Model Testing

The suitability of the research model construct with the data characteristics was tested with the help of SmartPLS software version 4. The research model whose influence will be tested can be seen in the following figure:



Figures 1. Research Model

In this study, validity tests were conducted, including convergent validity tests and Average Variance Extracted (AVE) to ensure that the research instrument was able to measure what should be measured.

b. Outer Loadings Value

Table 1. Outer loadings value

Variable	Indicator	Outer loadings
Competence	C1	0.741
	C2	0.772
	C3	0.800
	C4	0.811
	C5	0.732
	C6	0.720
	C7	0.799
Job Satisfaction	J1	0.485
	J2	0.749
	J3	0.767
	J4	0.686
	J5	0.748
	J6	0.832
	J7	0.862
	J8	0.726
Training & Development	J9	0.727
	T1	0.743

The outer model results are used to test the indicators of each variable. In general, the recommended outer loading value is ≥ 0.70 because it indicates that the construct is able to explain at least 50% of the indicator's variance. However, in exploratory research, a value of 0.60–0.70 is still acceptable, while indicators with a value of 0.40–0.60 can still be considered by analyzing the internal consistency reliability (Cronbach's alpha) and convergent validity (Average Variance Extracted (AVE)) values. If these values are still within the specified limits, the indicator can be maintained (Hair et al., 2022). Based on the outer loadings data obtained above, each variable, Training & Development (X1), Job Satisfaction (X2), Work Performance (Y), and Competence (Z), has a loading factor value above 0.6, thus it can be said to be valid.

c. Average Variance Extracted (AVE)

Table 2 Average variance extracted (AVE)

Variable	Average Variance Extracted (AVE)
Competence	0.591
Job Satisfaction	0.545
Training & Development	0.560
Work Performance	0.575

A variable's value is declared valid and demonstrates good convergent validity if the AVE value for each indicator is greater than 0.5 (Hair et al., 2022). Based on the data in Table 4.6, it can be seen that the AVE values for all variables are greater than 0.5, indicating that, on average, the construct is able to explain more than half of the variance in its indicators (Hair et al., 2022).

d. Reliability Test Results

Table 3 Reliability test result

Variable	Cronbach's Alpha	Composite Reliability
Competence	0.888	0.884
Job Satisfaction	0.907	0.903
Training & Development	0.931	0.928
Work Performance	0.899	0.894

Based on the data in the table above, the composite reliability and Cronbach's alpha values are above 0.6 and are still in the range of 0 to 1, so it can be said that all variables are reliable.

e. Structural Model Analysis (Inner Model)

Table 4 R Square Value

	R Square
Competence	0.711
Work Performance	0.686

According to Ghazali (2015), the R-Square value criteria of 0.67, 0.33, and 0.19 are interpreted as parameters of a strong, moderate, and weak model. Based on the data obtained in Table 4.7, it can be seen that the R-Square value of 0.711 on the competency variable indicates that the training, development, and job satisfaction variables are able to explain 71.1% of the variance in employee competency. This value is considered strong so it can be concluded that these three variables have a large influence in shaping employee competency. The R-Square value of 0.686 on the employee performance variable indicates that the training, development, job satisfaction, and competency variables (as mediating variables) are able to explain 68.6% of the variance in employee performance. This value is also considered strong, meaning the research model has good explanatory power regarding employee performance (Stofkova et al., 2020).

f. Hypothesis Testing

Table 5 Hypothesis testing

Influence between variables	Koefisien	t-statistic	p-value
Training & Development -> Work Performance	0.338	2.812	0.005
Job Satisfaction -> Work Performance	0.020	0.165	0.869
Training & Development -> Competence	0.330	2.541	0.011
Job Satisfaction -> Competence	0.555	4.743	0.000
Competence -> Work Performance	0.520	3.872	0.000
T&D -> Competence -> Work Performance	0.172	2.041	0.041

Job Satisfaction -> Competence -> Work Performance	0.289	2.891	0.004
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Based on the table above, it can be seen that this study has 7 hypotheses which are divided into 2, namely 5 hypotheses with direct influence and 2 hypotheses with indirect influence.

4. CONCLUSION

Based on the analysis of the variables in this study, namely Training & Development, Job Satisfaction, Competence, and Employee Performance, the following conclusions were drawn: Training and Development has a positive and significant effect on Employee Performance at PT. WOM Finance, Job Satisfaction has an insignificant effect on Employee Performance at PT. WOM Finance, Training and Development has a positive and significant effect on Employee Competence at PT. WOM Finance, Job Satisfaction has a positive and significant effect on Employee Competence at PT. WOM Finance, Competence has a positive and significant effect on Employee Performance at PT. WOM Finance, Competence mediates the effect of Training and Development on Employee Performance at PT. WOM Finance, Competence mediates the effect of Job Satisfaction on Employee Performance at PT. WOM Finance. Companies are advised to focus not only on improving employee job satisfaction but also on ensuring that this level of satisfaction drives employee competency improvement. These efforts can be achieved through the provision of ongoing development programs, such as technical training, soft skills training, coaching, mentoring, and career development programs tailored to the needs of the organization and the individual. This way, employee job satisfaction can contribute optimally to improved performance. Future research is recommended to develop the research model by adding other variables that have the potential to influence the relationship between job satisfaction and employee performance, such as work motivation, organizational commitment, employee engagement, and the work environment. Furthermore, research can be conducted across different industrial sectors, regions, or organizational characteristics to test the consistency of the research results and increase the generalizability of the findings. To develop the research model by adding other variables that could potentially influence the relationship between job satisfaction and employee performance, such as work motivation, organizational commitment, employee engagement, and the work environment. Furthermore, research can be conducted across different industry sectors, regions, or organizational characteristics to test the consistency of the research results and increase the generalizability of the findings. The findings of previous studies, when viewed in the context of WOM Finance, indicate a need for further research to understand the roles of training and development and job satisfaction in influencing employee performance—specifically with competence acting as a mediating variable.

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