

The Influence of Human Resource Development on Performance Through Competence and Work Motivation to the Head of Mekaar Unit PT Permodalan Nasional Madani

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ABSTRACT

The purpose of this research is to determine the effect of human resource development on motivation, the effect of human resource development on competence, the effect of human resource development on performance, the effect of motivation on performance, the effect of competence on performance, the effect of human resource development on performance through motivation as intervening variable, the effect of human resource development on performance through competence as intervening variable. This research uses a quantitative methodology with purposive sampling method through the distribution of questionnaires to 150 respondent, analyzed using SmartPLS. The results of this study indicate that human resource development has a positive effect on motivation, human resource development has a positive effect on competence, human resource development has a positive effect on performance, motivation has a positive effect on performance, competence has a positive effect on performance, human resource development has a positive effect on performance through motivation as intervening variable, human resource development has a positive effect on the performance through competence as intervening variable

INTRODUCTION

In the era of globalization and increasingly fierce business competition, human resource (HR) development is one of the main keys to achieving competitive advantage. Companies are required to not only focus on product and service development, but also on improving the quality of their human resources. PT Permodalan Nasional Madani (PNM), as one of the companies engaged in financial services, fully understands the importance of HR development, especially for strategic positions such as the head of the Mekaar unit. Given these constraints, the HRBP department proposes to implement a program called "ASPEK" (Aspirations & Employee Learning) in the form of dialogue and sharing sessions with employees, where employees, especially Branch Heads, can communicate and share in front of a forum by sharing their experiences or addressing fundamental issues without worrying about the impact on career advancement and work challenges at the Branch. After presenting, other Branch Heads will respond and also share their problem-solving experiences. The results of these dialogues and sharing sessions will be summarized and compiled into materials to be distributed to Branch Heads as reference materials. The "ASPEK" program, an acronym for "Aspirasi dan Pembelajaran Karyawan", is one of the media responses to various obstacles/issues faced by Branch Managers at their respective branches. This program is focused on dialogue and sharing about the problems/obstacles experienced by the participants, namely the Branch Managers. Participants express their respective problems, and other participants respond to those issues. The results of the dialogue and sharing are summarized in the form of Question and Ask material, so it is expected to serve as a reference for the Branch Heads regarding the issues/obstacles occurring in their branches.

The Mekaar (Membina Ekonomi Keluarga Sejahtera) program launched by PNM aims to provide financing and coaching to underprivileged women who run micro businesses. The success of this program is highly dependent on the performance of Mekaar unit heads who are directly responsible for managing and fostering customer groups. Therefore, improving the competence and job satisfaction of the head of the Mekaar unit is the main focus of the company in order to support the success of the Mekaar program. To achieve this goal, PNM has implemented the Employee Aspiration and Learning Program (ASPEK). This HR and competency development program is designed to provide a continuous learning platform for employees, as well as provide a space for them to express their aspirations and get constructive feedback. Thus, the ASPEK program is expected to improve the performance, and work motivation of Mekaar unit heads, which in turn will have a positive impact on the achievement of the company's strategic goals. However, even though the ASPEK program has been running, there are still challenges in measuring its overall effectiveness. The fundamental question that needs to be answered is to what extent the program has succeeded in improving the motivation and performance of Mekaar unit heads. Answering these questions is important to ensure that the ASPEK HR and competency development program is actually delivering the expected benefits and to identify areas that require further improvement. From this premise, the research objectives are:

1. To determine the effect of HR development on the motivation of the head of the Mekaar unit of PT PNM
2. To determine the effect of HR development on the competence of the head of the PT PNM Mekaar unit.
3. To determine the effect of HR development on the performance of the head of the PT PNM Mekaar unit.
4. To determine the effect of motivation on the performance of the head of the Mekaar unit of PT PNM
5. To determine the effect of competence on the performance of the head of the Mekaar unit of PT PNM
6. To determine the effect of HR development on the performance of the head of the Mekaar unit of PT PNM through motivation as an intervening variable.
7. To determine the effect of HR development on the performance of the head of the Mekaar unit of PT PNM through competence as an intervening variable.

LITERATURE REVIEW

Human Resource Development

HR development aims to ensure that individuals have the skills and abilities needed to meet the demands of their jobs, as well as to achieve organizational goals. Gary Dessler (2020) defines human resource development as a systematic process for improving employees' skills, knowledge, and competencies through training, education, and work experience. Michael Armstrong (2022) defines human resource development as a structured approach to improving individual and group performance through continuous learning and development. John Hattie (2021) links HR development to the concept of lifelong learning. Hattie argues that HR development is not only about improving technical skills, but also about developing the cognitive and social skills needed to adapt to changes in the work environment.

Factors that influence human resource development are internal and external factors. Internal factors that influence HR development include individual motivation, skills possessed, and mental and physical readiness to learn and develop. Maslow (2020) links HR development with individual needs to achieve self-actualization, where employees who feel their basic needs are met will be more motivated to develop themselves. External factors that influence HR development include the work environment, organizational culture, and support from superiors and colleagues. Edgar Schein (2021) emphasizes the importance of an organizational culture that supports continuous learning and innovation. According to Schein, organizations that provide a safe and supportive environment for experimentation and risk-taking tend to be more successful in developing their people.

Human resource development methods and strategies are training and development, coaching and mentoring, technology-based learning, leadership development, innovation and creativity skills development. Human resource development evaluation is an important step to ensure that the programs implemented are effective in improving employee skills and competencies. Donald Kirkpatrick (2020) in "The Kirkpatrick Model" introduced four levels of evaluation that are often used in assessing the effectiveness of training programs: reaction, learning, behavior, and outcome. Despite the importance of HR development evaluation, this process often faces various challenges, Salas and Cannon-Bowers (2022) highlight the challenges of measuring the effectiveness of team training, where team performance is influenced by group dynamics and interpersonal relationships, They suggest that HR development evaluation in a team context should consider aspects such as collaboration, communication, and coordination between team members.

Motivation

Work motivation can be defined as an internal or external force that drives a person to achieve certain goals in their work. Daniel Goleman (2019), states that work motivation is strongly influenced by emotions and individuals' perceptions of their work. Goleman underlines the importance of emotional intelligence in building intrinsic motivation, which comes from within a person. Employees who have high emotional intelligence tend to be better able to manage stress, stay focused on goals, and have a strong sense of responsibility for their work. Angela Duckworth (2020), through the concept of resilience, emphasizes that work motivation is not just a matter of desire, but also perseverance.

Duckworth states that individuals who have resilience tend to persist longer in difficult tasks and do not give up easily. This suggests that motivation is not just a temporary boost, but also a long-term commitment to a meaningful goal. Edgar Schein (2021), suggests that work motivation is strongly influenced by organizational culture. According to Schein, organizations that have an inclusive and supportive culture will tend to have more motivated employees. Motivational factors are divided into two, namely intrinsic and extrinsic factors. intrinsic factors consist of purpose and meaning in work, challenges and development opportunities, autonomy at work, achievement and recognition. while extrinsic factors consist of compensation and benefits, comfortable work environment, leadership and management, job security, career development opportunities.

Competence

Competency is a very important concept in management, education, and psychology, encompassing the abilities, knowledge, and skills required to perform a job or task effectively. Competencies play a crucial role in the development of individuals and organizations, ensuring that they can meet the evolving demands of a dynamic work environment. In recent years, many experts have reviewed and updated the definition of competencies to reflect changes in technology, globalization, and workforce dynamics. David McClelland (2020) emphasized that competence is not just about what a person knows, but also about how they apply that knowledge and skills in practical situations, Richard Boyatzis (2021) introduced an emotional intelligence-based

competence model, stating that competence involves a combination of emotional intelligence, technical skills, and cognitive abilities, John Hattie (2019), defined competence as the ability to apply knowledge and skills in a relevant context, characterized by a deep level of understanding and reflection.

Types of competencies consist of core competencies, technical competencies, social competencies. Core competencies are skills and knowledge that are essential for individuals or organizations to achieve competitive advantage. Gary Hamel and C.K. Prahalad (2023) updated the concept of core competencies to emphasize the importance of innovation and adaptability amid rapid technological change, technical competencies involve the specific knowledge and skills required to carry out specific tasks. Klaus Schwab (2020), in the context of the Industrial Revolution 4.0, stated that technical competence includes not only traditional technical skills but also the ability to work with advanced technologies such as artificial intelligence and big data, social competence includes the ability to interact effectively with others, including communication skills, teamwork, and conflict resolution. Amy Edmondson (2021) introduced the concept of "psychological safety" as an important element of social competence, where employees feel safe to share ideas and take risks without fear of negative repercussions.

The application of competencies in organizations consists of competency development, competency evaluation, challenges in competency development. Competency development is a major focus in modern human resource management. Dave Ulrich (2022) emphasizes the importance of competency development as a strategy to improve organizational performance. Competency evaluation is the process of assessing the extent to which individuals or organizations have developed the necessary skills and knowledge. Patrick Lencioni (2020) suggests that competency evaluation should include qualitative and quantitative assessments, as well as feedback from various stakeholders. A key challenge in competency development is the need to balance between organizational needs and individual aspirations. Herminia Ibarra (2023) points out that competency development should consider the long-term needs of the organization as well as the career path of the individual.

Performance

Performance is one of the key concepts in human resource management, education, and psychology, reflecting the extent to which a person or organization can achieve the goals and targets that have been set. Gary Dessler (2020) defines performance as the results of work measured against predetermined standards, which include both the quantity and quality of these results. Stephen P. Robbins and Timothy

A. Judge (2021), in the latest edition of their book "Organizational Behavior", define performance as behavior that is directly related to the achievement of organizational goals. John Hattie (2020), defines performance in the context of education as the level of student achievement measured through various evaluation methods. Types of performance are individual performance, quantitative performance, qualitative performance. Individual performance refers to the work of an individual in carrying out specific tasks that contribute

to organizational goals, quantitative performance involves results that can be measured numerically, such as the number of products produced, sales achieved, or time used to complete a task, qualitative performance refers to aspects that cannot be measured directly with numbers, such as service quality, customer satisfaction, or creativity in solving problems.

Internal factors that affect performance include motivation, skills, and individual physical or mental conditions. David McClelland (2020) suggested that high work motivation is highly correlated with superior individual performance. External factors that affect performance include the work environment, organizational culture, and support from superiors or colleagues. Edgar Schein (2021) states that organizational cultures that support innovation and collaboration tend to produce better performance at the individual and organizational levels. Performance measurement can be done through various methods, such as Key Performance Indicators (KPIs), Balanced Scorecard, and 360-degree assessment. Ibarra (2023) emphasizes the importance of context in performance evaluation. He argues that performance should be evaluated based on the specific conditions faced by the individual or team, including the complexity of the task and the resources available. Ibarra suggests that performance evaluation should be adaptive, reflecting the changing needs and realities of the modern work environment.

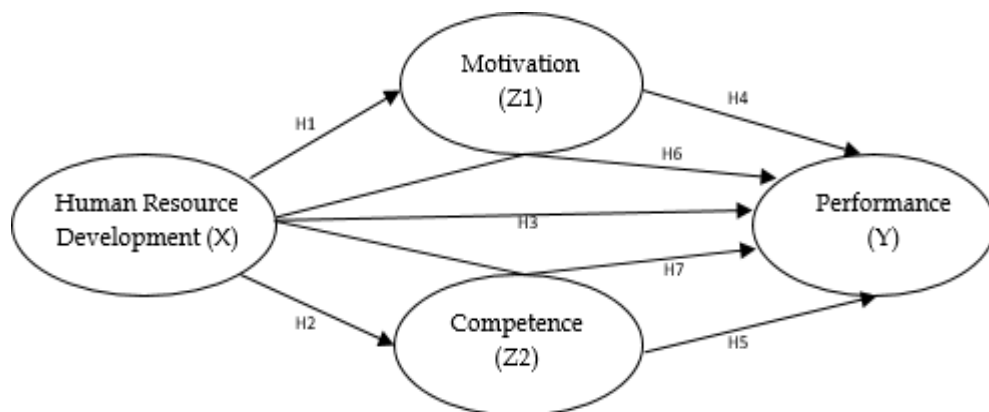


Figure 1. Conceptual Framework

Hypothesis

1. Hypothesis 1 : HR development has a positive effect on the motivation of the head of the Mekaar unit of PT PNM
2. Hypothesis 2 : HR development has a positive effect on the competence of the head of the Mekaar unit of PT PNM
3. Hypothesis 3 : HR development has a positive effect on the performance of the head of the Mekaar unit of PT PNM
4. Hypothesis 4 : Motivation has no effect on the performance of the head of the Mekaar unit of PT PNM
5. Hypothesis 5 : Competence has a positive effect on the performance of the head of the Mekaar unit of PT PNM

6. Hypothesis 6 : HR development has a positive effect on the performance of the head of the Mekaar unit of PT PNM through motivation as an intervening variable.
7. Hypothesis 7 : HR development has a positive effect on the performance of the head of the Mekaar unit of PT PNM through competence as an intervening variable.

METHODOLOGY

This research design uses a quantitative approach with a survey method, the unit of analysis in this study is the head of the Mekaar unit at PT PNM as many as 150 respondents. The questionnaire is the main tool for data collection in this study which is structured using a five-point Likert scale assisted by processing with SmartPLS software.

Outer Model (Measurement Model) is useful for providing information on the relationship between latent variables and their indicators. The technique used to test the measurement model is Confirmatory Factor Analysis (CFA) which consists of Convergent Validity, Discriminant Validity, and Composite Reliability using the SmartPLS analysis test tool. Ghozali (2013), a collation can be said to meet convergent validity when it has a loading value greater than 0.70 and an AVE value of 0.5. A latent variable can be said to have a good realism when a composite reliability value is greater than 0.7 Respondent descriptions are divided into gender, age, length of service, latest education, work experience

Inner Model is a structural model for predicting causality relationships between latent variables consist of R-Square, F-Square, Q-Square. Chin (2019) states that r-square values of 0.75, 0.50, and 0.25 respectively indicate strong, moderate, and weak predictive power in PLS-SEM. Hair et al. (2019) recommend using the f-square effect size with values of 0.02, 0.15, and 0.35, which indicate small, medium, and large effects, respectively. The Q-square value greater than 0 indicates predictive relevance. A Q2 value of 0.02 indicates small predictive relevance, 0.15 moderate, and 0.35 large.

Table 1. Research Object

Characteristics	Category	Total	%
Gender	Male	11	7,33%
	Female	139	92,67%
	Total	150	100,00%
Age	< 25 years	84	56,00%
	26 - 35 years old	64	42,67%
	36 - 45 years	2	1,33%
	46 - 55 years	0	0,00%
	>55 years	0	0,00%
	Total	150	100,00%
Length of Service	< 5 years	54	36,00%
	5 - 10 years	96	64,00%
	11 - 15 years	0	0,00%
	16 - 20 years	0	0,00%

	> 20 years	0	0,00%
	Total	150	100,00%
Last Education	SMA/SMK	135	90,00%
	D3	3	2,00%
	S1	12	8,00%
	S2	0	0,00%
	S3	0	0,00%
	Total	150	100,00%
Work Experience	Never worked before	70	46,67%
	Never worked before	80	53,33%
	Total	150	100,00%

RESULT

Convergent Validity

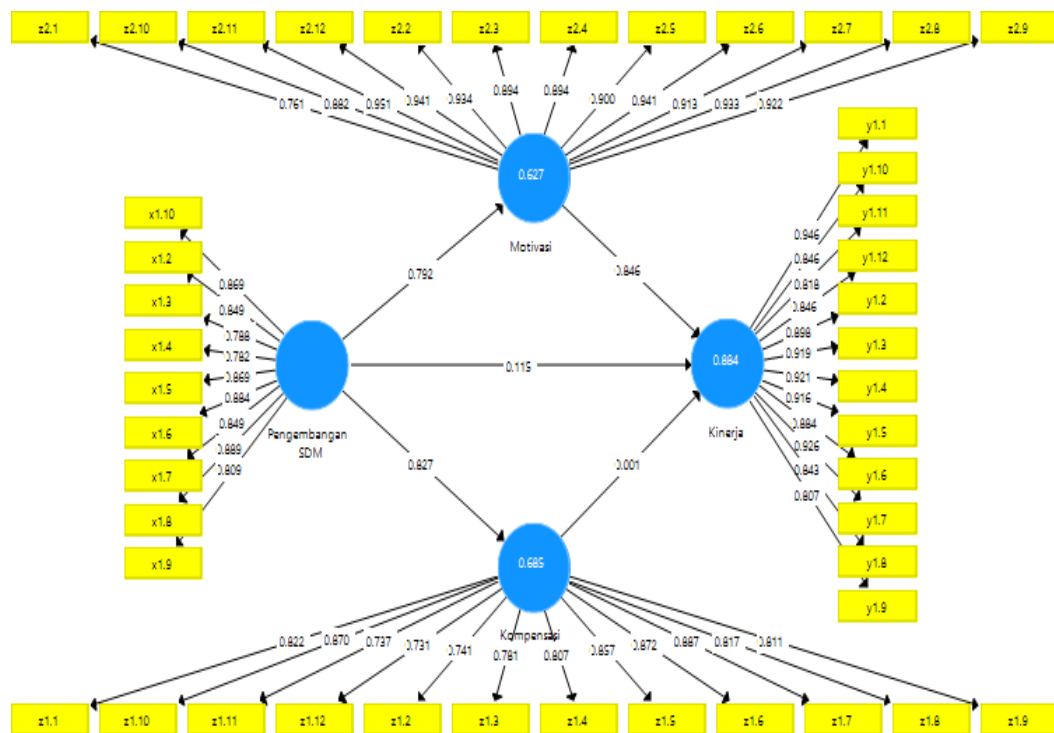


Figure 2. Outer Loading

If the loading factor of an indicator is lower than 0.7, the indicator can be considered for removal from the model because of its weak contribution to the latent variable. The figure above shows that the loading factor value is above 0.7 so it is considered good.

Construct Reliability and Validity

Table 2. Construct Reliability and Validity

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Performance	0,974	0,976	0,977	0,778
Competence	0,953	0,956	0,959	0,661
Motivation	0,980	0,981	0,982	0,822
HR Development	0,949	0,950	0,957	0,712

Cronbach's alpha: Indicates the internal reliability of the indicator measuring the latent variable. Values in the table, above 0.7 indicate that the indicator has good internal consistency. Composite reliability (CR): CR values in the table, above 0.7 indicate strong reliability, indicating the construct has high internal consistency. Average variance extracted (AVE): The AVE value in the table, greater than 0.5 indicates that the construct is able to explain more than 50% of the variance of its indicators, so it has good convergent validity.

Discriminat Validity

Table 3. Fornell-Larcker Criterion

	Performance	Competence	Motivation	HR Development
Performance	0,882			
Competence	0,870	0,813		
Motivation	0,938	0,915	0,907	
HR Development	0,786	0,827	0,792	0,844

The root AVE for performance is 0.882, which is greater than its correlation with competence (0.870), motivation (0.938), and workforce development (0.786). however, there is a fairly high correlation between performance and motivation (0.938), which could be an indication that the performance and motivation constructs may have similar concepts or poorly separated indicators.

Table 4. Cross Loading

	Performance	Competence	Motivation	HR Development
x1.10	0,721	0,809	0,734	0,869
x1.2	0,633	0,650	0,649	0,849
x1.3	0,651	0,691	0,641	0,788
x1.4	0,650	0,624	0,606	0,782
x1.5	0,653	0,678	0,667	0,869
x1.6	0,682	0,706	0,704	0,884
x1.7	0,694	0,696	0,708	0,849
x1.8	0,639	0,688	0,650	0,889
x1.9	0,634	0,723	0,641	0,809
y1.1	0,946	0,833	0,925	0,731
y1.10	0,846	0,727	0,755	0,660
y1.11	0,818	0,753	0,776	0,698
y1.12	0,846	0,817	0,847	0,710

y1.2	0,898	0,770	0,854	0,702
y1.3	0,919	0,775	0,859	0,693
y1.4	0,921	0,801	0,862	0,711
y1.5	0,916	0,712	0,811	0,666
y1.6	0,884	0,741	0,806	0,695
y1.7	0,926	0,821	0,900	0,737
y1.8	0,843	0,765	0,797	0,702
y1.9	0,807	0,677	0,700	0,600
z1.1	0,782	0,822	0,808	0,699
z1.10	0,769	0,870	0,830	0,770
z1.11	0,602	0,737	0,604	0,520
z1.12	0,600	0,731	0,649	0,533
z1.2	0,637	0,741	0,676	0,630
z1.3	0,652	0,781	0,663	0,559
z1.4	0,733	0,807	0,751	0,748
z1.5	0,739	0,857	0,775	0,675
z1.6	0,778	0,872	0,805	0,703
z1.7	0,774	0,887	0,818	0,758
z1.8	0,675	0,817	0,727	0,703
z1.9	0,701	0,811	0,768	0,704
z2.1	0,685	0,754	0,761	0,611
z2.10	0,841	0,788	0,882	0,723
z2.11	0,907	0,892	0,951	0,746
z2.12	0,878	0,860	0,941	0,751
z2.2	0,887	0,865	0,934	0,712
z2.3	0,828	0,810	0,894	0,695
z2.4	0,825	0,808	0,894	0,688
z2.5	0,819	0,826	0,900	0,734
z2.6	0,891	0,840	0,941	0,752
z2.7	0,873	0,857	0,913	0,750
z2.8	0,899	0,836	0,933	0,717
z2.9	0,849	0,817	0,922	0,730

Discriminant validity has been met because each indicator has the highest loading value on its own construct compared to other constructs.

R-Square

Table 5. R-Square

	R Square	R Square Adjusted
Performance	0,884	0,882
Competence	0,685	0,682
Motivation	0,627	0,625

Chin (2019) states that r-square of 0.75, 0.50, and 0.25 indicate strong, moderate, and weak predictive ability in PLS-SEM, respectively. Based on the table above, performance falls into the strong category while competence and motivation fall into the moderate category.

F-Square

Table 6. F-Square

	Performance	Competence	Motivation	HR Development
Performance				
Competence	1,171			
Motivation	0,981			
HR Development	0,035	2,171	1,685	

Hair et al. (2019) recommends using f-square effect sizes with values of 0.02, 0.15, and 0.35 which indicate small, medium, and large effects. The effect of HR development on competence is 2.171, which shows a very large effect. Meanwhile, the effect of HR development on performance scored 0.035, which shows a small effect.

Q-Square

Table 7. Q-Square

	SSO	SSE	Q ² (=1-SSE/SSO)
performance	1800,000	584,155	0,675
competence	1800,000	1026,681	0,430
motivation	1800,000	910,548	0,494
human resourcedevelopment	1500,000	1500,000	

Q-square values greater than 0 indicate predictive relevance. Q² = 0.02 indicates small, 0.15 medium, and 0.35 large predictive relevance. Overall, these Q² results indicate that the model has strong predictive relevance.

Hypothesis Test

Table 8. Relationship Between Variables

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Competence -> Performance	0,601	0,602	0,075	8,013	0,000
Motivation -> Performance	0,846	0,850	0,070	12,070	0,000
HR Development -> Performance	0,115	0,110	0,046	2,525	0,013
HR Development -> Competency	0,827	0,816	0,053	15,760	0,000
HR Development -> Motivation	0,792	0,776	0,066	11,014	0,000
HR Development -> Competence -> Performance	0,491	0,502	0,062	7,914	0,000

HR Development -> Motivation -> Performance	0,670	0,659	0,081	8,223	0,000
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In the direct effect between competency variables on performance, the t statistic value (8.013) above the t table value (1.655) explains the existence of a strong direct effect supported by a p value below the significance level (0.000 <0.05) explaining the significant effect. In the direct effect between motivation variables on performance, the t statistic value (12.070) above the t table value (1.655) explains the existence of a strong direct effect supported by a p value below the significance level (0.000 <0.05) explaining the significant effect. In the direct effect between HR development variables on performance, the t statistic value (2.525) above the t table value (1.655) explains the existence of a strong direct effect supported by a p value below the significance level (0.013 <0.05) explaining the significant effect. In the direct influence between HR development variables on competence, the t statistic value (15.760) above the t table value (1.655) explains the existence of a strong direct effect supported by a p value below the significance level (0.000 <0.05) explaining the significant effect. In the direct effect between HR development variables on motivation, the t statistic value (12.014) above the t table value (1.655) explains the existence of a strong direct effect supported by a p value below the significance level (0.000 <0.05) explaining the significant effect. In the indirect effect between HR development variables on performance through competence, the t statistic value (6.014) above the t table value (1.655) explains the strong indirect effect supported by the p value below the significance level (0.000 <0.05) explaining the significant effect. In the indirect effect between HR development variables on performance through motivation, the t statistic value (8.223) above the t table value (1.655) explains the existence of a strong indirect effect supported by a p value below the significance level (0.000 <0.05) explaining the significant effect.

DISCUSSION

The Effect of HR Development on Motivation

The direct effect between HR development on motivation gets a statistical t value (12.014) above the t table value (1.655) explaining the strong direct effect supported by a p value below the significance level (0.000 <0.05) explaining the significant effect, H_a is accepted. The path coefficient value of 0.792 makes HR development affect motivation by 79.2%. HR development has a positive effect on motivation (H1 accepted).

The Effect of HR Development on Competence

The direct effect between HR development on competence gets a statistical t value (15.760) above the t table value (1.655) explaining the strong direct effect supported by a p value below the significance level (0.000 <0.05) explaining the significant effect, H_a is accepted. The path coefficient value of 0.827 makes HR development affect competence by 82.7%. HR development has a positive effect on competence (H2 accepted).

The Effect of HR Development on Performance

The direct effect between HR development on performance gets a statistical t value (2.525) above the t table value (1.655) explaining the strong direct effect supported by a p value below the significance level ($0.000 < 0.05$) explaining the significant effect, H_a is accepted. The path coefficient value of 0.115 makes HR development affect performance by 11.5%. HR development has a positive effect on performance (H3 accepted).

Effect of Motivation on Performance

The direct effect between motivation and performance gets a statistical t value (12.070) above the t table value (1.655) explaining the strong direct effect supported by a p value below the significance level ($0.000 < 0.05$) explaining the significant effect, H_a is accepted. The path coefficient value of 0.846 makes motivation affect performance by 84.6%. Motivation has a positive effect on performance (H4 accepted).

Effect of Competence on Performance

The direct effect between competence on performance gets a statistical t value (9.014) above the t table value (1.655) explaining the strong direct effect supported by a p value below the significance level ($0.000 < 0.05$) explaining the significant effect, H_a is accepted. The path coefficient value of 0.601 makes competence affect performance by 60.1%. Competence has a positive effect on performance (H5 accepted).

The Effect of HR Development on Performance Through Motivation

The indirect effect between HR development on performance through motivation gets a statistical t value (8.223) above the t table value (1.655) explaining the strong indirect effect supported by a p value below the significance level ($0.000 < 0.05$) explaining the significant effect, H_a is accepted. The path coefficient value of 0.670 makes HR development affect performance through motivation by 67%. HR development has a positive effect on performance through motivation (H6 accepted)

The Effect of HR Development on Performance Through Competence

The indirect effect between HR development on performance through competence gets a statistical t value (6.014) above the t table value (1.655) explaining the strong indirect effect supported by a p value below the significance level ($0.000 < 0.05$) explaining the significant effect, H_a is accepted. The path coefficient value of 0.491 makes HR development affect performance through competence by 49.1%. HR development has a positive effect on performance through competence (H7 accepted)

CONCLUSION AND RECOMMENDATION

Conclusion

1. H1 is accepted, HR development has a positive effect on the motivation of the head of the PT PNM Mekaar unit.
2. H2 accepted, HR development has a positive effect on the competence of the head of the Mekaar unit of PT PNM
3. H3 is accepted, HR development has a positive effect on the performance of the head of the PT PNM Mekaar unit.

4. H4 is accepted, motivation has a positive effect on the performance of the head of the PT PNM Mekaar unit.
5. H5 is accepted, competence has a positive effect on the performance of the head of the PT PNM Mekaar unit.
6. H6 is accepted, HR development has a positive effect on the performance of the head of the Mekaar unit of PT PNM through motivation as an intervening variable.
7. H7 is accepted, HR development has a positive effect on the performance of the head of the Mekaar unit of PT PNM through competence as an intervening variable.

Recommendation

Indicator x1.10 on the HR development variable received the lowest score of 4.40 which contains the statement "I am often given the opportunity to participate in projects that require creative thinking and innovative solutions". To further improve this, companies can provide greater autonomy in projects, involve employees in decision making and provide recognition and rewards for new ideas.

Indicator z1.11 on the competency variable received the lowest score of 4.00 which contains the statement "I perform my work with high ethical standards and take responsibility for my actions". To further improve this, companies can establish and communicate a company code of ethics, provide regular ethics training, and establish a culture of transparency and trust and enforce clear consequences for violations.

Indicator z2.1 on the motivation variable received the lowest score of 4.16 which contains the statement "I feel that my achievements at work are recognized and appreciated by superiors and colleagues. To further improve this, the company can create a structured reward program, provide positive feedback and involve outstanding employees in special projects.

Indicator 1.9 on the performance variable received the lowest score of 4.14 which contains the statement "I feel able to work independently without the need for constant supervision from superiors". To further improve this, the company can take steps such as providing trust and autonomy, providing access to the necessary resources and information and compiling a clear and easily accessible rules.

FURTHER STUDY

The limitations of this research are written in the hope that future researchers can improve future research. The following are the limitations of the research:

1. Data Source Limitations

This study may be limited to primary data from heads of PT Permodalan Nasional Madani (PNM) Mekaar units in certain areas or a limited number of respondents, so the results may not be representative of all heads of units in Indonesia.

2. Data Collection Methods

If data is obtained through questionnaires, these limitations may include the risk of respondents' subjectivity or tendency to give socially desirable answers, which may affect the accuracy of the research results.

3. Additional Variables

This study only focuses on the variables of human resource development, competence, and work motivation. Other factors that may affect performance, such as organizational culture, work-life balance, or work environment, were not discussed, so the results could be less comprehensive.

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