

Digital Competence and Employee Performance: The Mediating Role of Work Motivation in the Public Sector

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ABSTRACT

This study analyzes the influence of digital competence on employee performance, with a focus on the mediating role of work motivation. The research was conducted among civil servants (The State Civil Apparatus) in the West Kalimantan Provincial Government. A quantitative explanatory approach was employed, involving 387 respondents selected via stratified random sampling. Data were analyzed using Structural Equation Modeling (SEM-PLS). Results show that digital competence significantly affects both motivation and performance, directly and indirectly. The mediation path is confirmed ($\beta = 0.308$, $p < 0.05$), supporting Self-Determination Theory, which posits that autonomy, competence, and relatedness stimulate intrinsic motivation. The study contributes to the theory of digital transformation in the public sector and offers practical strategies for HR development in the digital era. Furthermore, the findings underscore the importance of strengthening digital skills training programs to enhance not only technical capabilities but also psychological readiness among civil servants. The positive and significant effect of digital competence on motivation highlights the need to design digital systems that are user-friendly and supportive of employee autonomy. This study also reveals that motivated employees are more adaptive and responsive to technological changes in their work environment. These insights align with prior research indicating that digital readiness and motivation are critical enablers of successful public sector reform. As a result, policymakers are encouraged to integrate motivational strategies into digital transformation initiatives to optimize performance outcomes.

Keywords: Digital competence; work motivation; employee performance; public sector; mediation model, SEM-PLS

INTRODUCTION

Digital transformation that takes place massively in the public bureaucracy requires the state civil apparatus (The State Civil Apparatus) to not only master technical skills, but also build psychological readiness and adequate work motivation to be able to adapt to rapid changes. (Wirtz et al., 2019; Gagne et al., 2019; Kim & Park, 2021). In the digital age, digital competence has become a basic capital that not only reflects the technical capabilities of individuals but also a strategic foundation in supporting the performance of adaptive and data-driven public organizations (van Deursen et al., 2021; Al-Haddad et al., 2020; Rantanen et al., 2022). Digitalization of government, as mandated in Presidential Regulation No. 95 of 2018 concerning electronic-based government systems (SPBE), emphasizes the importance of information technology integration in the implementation of

efficient, transparent, and responsive public services. ((Perpres No. 95 of 2018; Ministry of PANRB, 2023). However, mastery of digital technology by the State Civil Apparatus does not necessarily have direct implications for improving performance if it is not accompanied by strong intrinsic motivation in applying these competencies optimally (Gagné & Deci, 2005; Kim & Park, 2021; Mahmudi & Hardianto, 2023).

Employee performance is a key indicator of the effectiveness of public bureaucracy. In this context, digital competence is a key determinant of performance, but its role is often mediated by psychological aspects such as work motivation. (Gagne et al., 2019; Kim & Park, 2021; Son & Arifin, 2022). Work motivation, especially intrinsic ones, acts as a link between mastering technology and actual performance at work. Self-Determination Theory (Deci & Ryan, 2000) states that individuals who have a sense of autonomy, competence, and social attachment will show higher motivation, which has a positive impact on their job performance. Thus, understanding how digital competencies contribute to performance through motivational pathways becomes essential in the context of today's digital bureaucracy.

Empirical phenomena in West Kalimantan province indicate that most of the State Civil Apparatus still face obstacles in the use of Government Information Systems, which has an impact on the slowness of public services. (BPS West Kalimantan, 2023; Ministry of PANRB, 2022; Fitriani & Wulandari, 2023). A survey by BKPSDM (2023) shows that only 45% of the State Civil Apparatus have sufficient digital competence, and most show fluctuating work motivation. Suboptimal employee performance, indicated by the high level of Public Complaints (Ombudsman, 2023), reinforces the suspicion that there are psychological variables that bridge between technological proficiency and work productivity. In this context, it is essential to explore the role of work motivation as a mediator in the relationship between digital competence and employee performance.

Table 1. Empirical Phenomenon of The State Civil Apparatus in the West Kalimantan Provincial Government Office

No	Empirical Phenomena	Impacts Identified	Sources
1	Some State Civil Apparatus still face obstacles in the use of Government Information Systems.	Slow public service to the community	BPS West Kalimantan 2023
2	Low adaptation of the State Civil Apparatus to the digitalization of public services	Inefficiency of the government administration process	Ministry of PANRB 2022
3	Digital competency gap between senior and junior in the State Civil Apparatus in Information System Management	Inconsistency in the quality of service between units	Fitriani dan Wulandari 2023

Table 2. BKPSDM 2023 Survey Results

Assessment Aspects	Categories	Percentage	Description
Digital Competence	Adequate	45%	The State Civil Apparatus who have digital competence according to standards
	Not enough	55%	The State Civil Apparatus that still requires an increase in digital competence
Work Motivation	Height	25%	The State Civil Apparatus has a high consistency in work motivation
	Fluctuating	60%	The State Civil Apparatus has unstable work motivation (the majority)
	Low	15%	The State Civil Apparatus has consistently low work motivation

Previous studies have primarily focused on the direct relationship between competence and performance, without considering the psychological mechanisms that may mediate the relationship. On the other hand, studies that raise work motivation often do not include technological variables as structural determinants. Therefore, this research aims to address the theoretical and empirical gap by examining the role of work motivation mediation in the influence of digital competence on employee performance in the State Civil Apparatus of the West Kalimantan provincial government.

The purpose of this study was to analyze the effect of digital competence on employee performance by considering the mediating role of work motivation. With this approach, the study is expected to provide conceptual contributions to the development of digital-based performance models for the State Civil Apparatus, as well as provide practical recommendations for local governments in designing more effective HR development programs in the era of digital transformation.

LITERATURE REVIEW

Digital Competence

Digital competencies are defined as a set of knowledge, skills, attitudes, and dispositions that enable individuals to effectively use digital technologies in the context of work and daily life (Vuorikari et al., 2016). These competencies include digital literacy skills, information processing, communication through technology, data security, and technology-based problem solving. In the context of the State Civil Apparatus, digital competence is a strategic aspect in supporting the effectiveness of public services based on electronic government systems (SPBE). Van Laar et al. (2020) emphasized that digital competence is significantly correlated with work productivity and adaptability to technological changes in the public sector.

Employee Performance

Employee performance refers to the extent to which an individual can carry out their duties and responsibilities effectively and efficiently based on organizational standards (Bernardin & Russell, 2003). Dimensions of employee performance include quality of work, quantity, timeliness, cooperation, and innovation. In the bureaucratic environment, performance becomes a reflection of the quality of service to the community. According to Armstrong (2006), employee performance is strongly influenced by a combination of competence, motivation, and organizational support. In the digital era, the digitization of work systems is a significant determinant in strengthening the productivity and effectiveness of the State Civil Apparatus' performance.

Work Motivation

Work motivation is an internal or external drive that affects the behavior and spirit of individuals in working to achieve specific goals (Deci & Ryan, 2000). In the Theory of Self-Determination Theory (SDT), motivation consists of two main dimensions: intrinsic and extrinsic. Intrinsic motivation arises from basic psychological needs such as autonomy, competence, and social connectedness, while extrinsic motivation springs from external incentives or pressures. The SDT study emphasizes that a work environment that supports these three basic needs can significantly improve employee engagement and performance (Ryan & Deci, 2017).

Relationship of Digital Competence and Work Motivation

The relationship between digital competence and work motivation is influenced by self-perception of efficacy and mastery of technology. When employees feel able to operate digital technology, they tend to be more confident, have control over their work, and feel better able to contribute. This reinforces their intrinsic motivation (Gagné & Deci, 2005). Research by Tarhini et al. (2017) concluded that digital competence positively increases work motivation through increased perception of psychological empowerment in a digital environment.

The Role Of Work Motivation Mediation In The Influence of Digital Competence On Performance

Work motivation acts as a mediator between digital competence and employee performance, because competence does not automatically result in performance without the drive to implement it. Empirical studies of Wang et al. (2021) showed that work motivation bridges the link between digital skills and organizational outcomes. Intrinsically motivated employees are more likely to use their digital competencies to accomplish tasks, innovate, and improve service quality effectively. Similar findings were revealed by Ford et al. (2014), which showed that motivation has a reinforcing effect on the application of technical competencies into tangible performance results.

Review of Past Research

Some relevant past studies are presented in the following table 1 to strengthen the conceptual foundation:

Table 3. Previous Research

No	Researchers and years	Research Focus	Main Findings
1	Van Laar et al. (2020)	Digital competence and productivity in the public sector	Digital competence improves adaptation and work efficiency
2	Mergel (2019)	The State Civil Apparatus and digital transformation	Digital-savvy employees are more productive and responsive
3	Tarhini et al. (2017)	ICT skills and motivation in the education sector	Digital competence strengthens work motivation based on self-efficacy
4	Wang et al. (2021)	Digital competence and performance	Relationship of digital competence and performance mediated by motivation
5	Ford et al. (2014)	Meta-analysis of motivation and performance	Intrinsic motivation is a powerful predictor of quality performance

RESEARCH METHODOLOGY

Types and Approaches of Research

This study uses a quantitative approach with explanatory research. The purpose of this approach is to examine the causal relationship between the independent variable (digital competence) and the dependent variable (employee performance) by considering the mediating effect of the intervening variable (work motivation). The explanatory research design was chosen because it is suitable for testing theoretical models built on previous literature and measuring the magnitude of the influence between variables statistically through an inferential approach.

Location and Population of The Study

This study was conducted on the State Civil apparatus (The State Civil Apparatus) within the West Kalimantan Provincial Government Office. This location was chosen based on contextual considerations, namely the existence of differences in the level of mastery of technology and public service performance in various agencies that show high relevance to the focus of research. The population in this study was all active members of the State Civil Apparatus, which amounted to 11,962 people based on BKPSDM data in 2023.

Sampling Techniques

The sampling technique used is stratified random sampling, which is the selection of samples based on strata of existing work units (dinas). The number of samples was determined using the Slovin formula with a margin of error of 5%, so a sample of 387 respondents was obtained, which is considered to represent the characteristics of the population proportionally.

Variable Research and Measurement Instruments

Data collection was conducted using a closed questionnaire with a Likert scale of 1-5 (1 = strongly disagree, 5 = strongly agree). The questionnaire was prepared based on theoretical indicators and has undergone content validation by experts. Digital competence (X): refers to the framework of the Digital Competence Framework (Vuorikari et al., 2016), consisting of indicators: digital literacy, digital communication and collaboration, data security, technological problem solving, and the ability to innovate digitally. Work motivation (M): based on Self-Determination Theory (Deci & Ryan, 2000), consists of: the need for autonomy, competence, and social connectedness. Employee performance (Y) refers to the performance model of Bernardin & Russell (2003), which includes the dimensions: quantity, quality, timeliness, responsibility, and cooperation. In Total, there are 44 statement items; each variable is measured through a minimum of 5-8 indicators.

Data Analysis Techniques

The collected Data were analyzed using Structural Equation Modeling with Partial Least Squares (SEM-PLS) approach through SmartPLS 4 software. The reason for the selection of SEM-PLS was its ability to test complex models with latent variables, despite the relatively moderate sample size.

Evaluation of the outer Model or measurement model is a fundamental stage in PLS-SEM analysis that assesses the quality of latent construct measurement through its indicators. The evaluation process began with convergent validity testing using the Average Variance Extracted (AVE) criterion with a minimum threshold of 0.50, which showed that the construct explained more than half of the variance of its indicators (Hair et al., 2019). In addition to AVE, the outer loading of each indicator must reach a minimum value of 0.708. However, in exploratory studies, a value of 0.60 is still acceptable if supported by sufficient reliability.

Discriminant validity test was conducted through two main approaches: Fornell-Larcker criteria and Heterotrait-Monotrait (HTMT) ratio. The Fornell-Larcker criterion requires that the square root of the AVE of each construct must be greater than the correlation of that construct with other constructs (Fornell & Larcker, 1981). However, Henseler et al. (2015) showed that the HTMT approach is superior in detecting discriminant validity problems, with a threshold of 0.90 for conceptually similar constructs and 0.85 for dissimilar constructs. HTMT evaluates the ratio of the average correlation of interindicators of different constructs (heterotrait) to the average correlation of indicators within the same construct (monotrait), giving a more accurate assessment of the uniqueness of the construct.

The reliability of the measurement model was evaluated using Cronbach's Alpha and Composite Reliability, both of which must reach a minimum value of 0.70 for confirmatory research. However, a value of 0.60 is still acceptable in exploratory research (Hair et al., 2022). Composite Reliability is generally preferred in PLS-SEM because it does not assume equal weighting on all indicators, unlike methods like Cronbach's Alpha. Additional evaluations include cross-loading checks to ensure each indicator has the highest loading on the intended construct, as well as multicollinearity assessment through the Variance Inflation Factor (VIF) with a maximum threshold of 5.0 to avoid indicator redundancy problems.

Evaluation of the inner Model focuses on the predictive power and causal relationships between constructs in the structural Model. The coefficient of determination (R^2) became the leading indicator for assessing the proportion of variants of endogenous constructs described by exogenous constructs, with interpretations of 0.75 (substantial), 0.50 (moderate), and 0.25 (weak) in behavioral research (Hair et al., 2019). A high value of R^2 indicates a good predictive ability of the Model. Still, it must be interpreted in the context of the complexity of the phenomenon under study and the number of Predictor constructs.

The effect size (f^2) test measures the relative contribution of each exogenous construct to the R^2 of the endogenous construct, calculated through the change in R^2 when a particular construct is omitted from the Model. The interpretation of f^2 follows the guidelines of Cohen (1988): 0.02 (small), 0.15 (medium), and 0.35 (significant effect). Low f^2 values do not necessarily indicate theoretical insignificance, especially in the context of complex models with multiple predictors. Complementary analysis through predictive relevance (Q^2) using Stone-Geisser's test evaluates the ability of the Model to predict unobserved data, with a value of $Q^2 > 0$ indicating sufficient predictive relevance.

Structural hypothesis testing was conducted through path coefficient and statistical significance using a bootstrapping procedure with a minimum of 5,000 subsamples to obtain a stable sampling distribution (Hair et al., 2022). The Path coefficient indicates the strength and direction of the relationship between constructs, while the t-statistics and p-values determine the statistical significance of the relationship. Bootstrapping confidence intervals provides additional information about the stability of parameter estimates, with intervals that do not include zeros indicating statistical significance at the specified confidence level.

Mediation analysis in PLS-SEM uses the bootstrapping approach developed by Preacher and Hayes (2008), replacing the Baron and Kenny (1986) method, which has been considered inadequate. Modern approaches focus on directly testing indirect effects ($a \times b$) through 5,000 bootstrapping subsamples to obtain accurate confidence intervals without assuming normal distribution. This method is superior because it does not require a significant total effect requirement as a prerequisite for mediation, given the possibility of suppression effects or competitive mediation.

The classification of mediation types follows the framework of Zhao et al. (2010) that distinguishes complementary mediation (partial mediation), competitive mediation, indirect-only mediation (complete mediation), direct-only non-mediation, and no-effect non-mediation. Complementary mediation occurs when direct and indirect effects are both significant in the same direction, while competitive mediation shows the opposite direction. Indirect-only mediation occurs when only indirect effects are substantial, indicating complete mediation without any meaningful direct effect.

Mediation testing in PLS-SEM involves evaluating direct effect, indirect effect, and total effect simultaneously. Indirect effect is calculated as the multiplication of the path coefficient of the independent variable to the mediator (path a) by the path coefficient of the mediator to the dependent variable (path b). The significance of the indirect

effect was determined through bias-corrected confidence intervals of the bootstrapping results, with intervals that did not include zero indicating significant mediation. The strength of mediation can be evaluated through Variance Accounted for (VAF), which shows the proportion of the Total mediated effect, with the interpretation of VAF > 80% (complete mediation), 20% < VAF < 80% (partial mediation), and VAF < 20% (no mediation) (Hair et al., 2022).

Test the Validity and Reliability of the Instrument

Before SEM analysis, a construct validity test was conducted using confirmatory factor analysis (CFA). All indicators show a loading factor > 0.70 and AVE > 0.50, which means they meet the convergent validity requirement. Cronbach's Alpha and Composite Reliability for all variables also showed a value of > 0.80, which means the instrument has high internal reliability.

RESEARCH RESULTS

Description of Respondents

Respondents in this study amounted to 387. The State Civil Apparatus is spread across various government agencies of West Kalimantan province. Most of the respondents were aged 31-45 years (56%), had a minimum education of S1 (78%), and had worked for more than five years (63%). This condition illustrates that respondents belong to the category of productive and experienced age, which is relevant to test the effect of digital competence and motivation on performance.

Descriptive Statistics of Research Variables

The average score of each variable showed a value above 3.5 on a Likert scale of 1-5, which means that respondents' perceptions of digital competence, work motivation, and employee performance are in the high category. The digital competency variable has an average score of 3.87, work motivation of 3.92, and employee performance of 3.85.

Evaluation Of The Measurement Model (Outer Model)

The results showed that the measurement model in this study meets all the criteria of validity and reliability required. Convergent validity is well met, where all indicators show the value of the loading factor above 0.70 and the average Variance Extracted (AVE) exceeds 0.50 for all constructs. The digital competency construct has an AVE value of 0.642, work motivation of 0.681, and employee performance of 0.657, indicating that each construct can explain more than half the variance of its indicators (Hair et al., 2019).

Table 4. Evaluation of The Measurement Model (Outer Model)

Construct	Convergent Validity		Status
	Loading Factor	AVE	
Criteria	>0.70	>0.50	
Digital Competence	>0.70	0.642	Valid
Work Motivation	>0.70	0.681	Valid
Employee Performance	>0.70	0.657	Valid

Construct reliability also showed very satisfactory results, with Composite Reliability (CR) and Cronbach's Alpha values for all constructs being above 0.80. Digital competency constructs reached CR = 0.902 and $\alpha = 0.871$, work motivation with CR = 0.918 and $\alpha = 0.882$, and employee performance with CR = 0.903 and $\alpha = 0.860$. These values indicate a high level of internal consistency and suggest that the measuring instrument has excellent reliability (Fornell & Larcker, 1981; Nunnally & Bernstein, 1994).

Table 5. Reliability Test

Construct	Composite Reliability (CR)	Cronbach's Alpha (A)	Status
Digital Competence	0.902	0.871	Highly Reliable
Work Motivation	0.918	0.882	Highly Reliable
Employee Performance	0.903	0.860	Highly Reliable

Discriminant validity was confirmed through the Fornell-Larcker test and Heterotrait-Monotrait Ratio (HTMT), where all constructs showed sufficient discriminant validity. HTMT values between constructs are below

the threshold limit of 0.85, which indicates that each construct in the Model is unique and conceptually different from other constructs (Henseler et al., 2015). This result confirms that the measurement model used in this study is valid and reliable to measure the constructs studied.

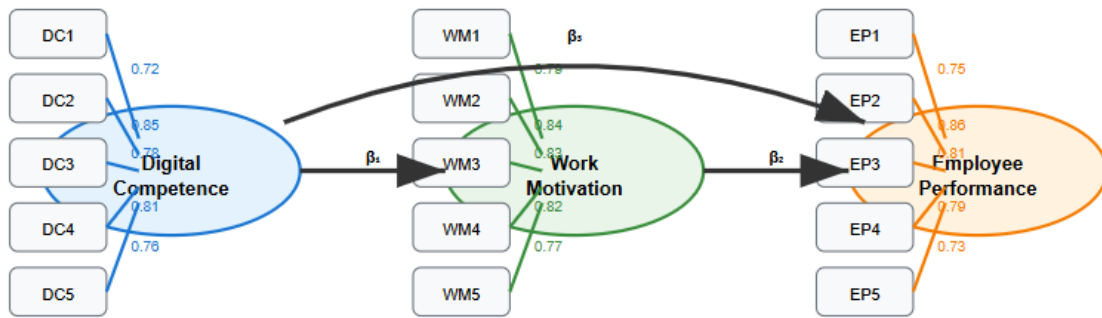


Figure 1. SEM-PLS Measurement Model (Outer Model)

Evaluation of The Structural Model (Inner Model)

Evaluation of the structural Model showed that the research model has excellent predictive ability. The coefficient of determination (R^2) indicates the degree of variance that the exogenous variable in the endogenous variable can explain. The digital competency construct explained 54.1% of the variation in work motivation ($R^2 = 0.541$). In comparison, the combination of digital competence and work motivation together explained 62.8% of the variation in employee performance ($R^2 = 0.628$). R^2 values of 0.25, 0.50, and 0.75, respectively, indicate weak, medium, and firm prediction levels, so that both R^2 values in this study can be categorized as moderate to Strong (Hair et al., 2017; Cohen, 1988).

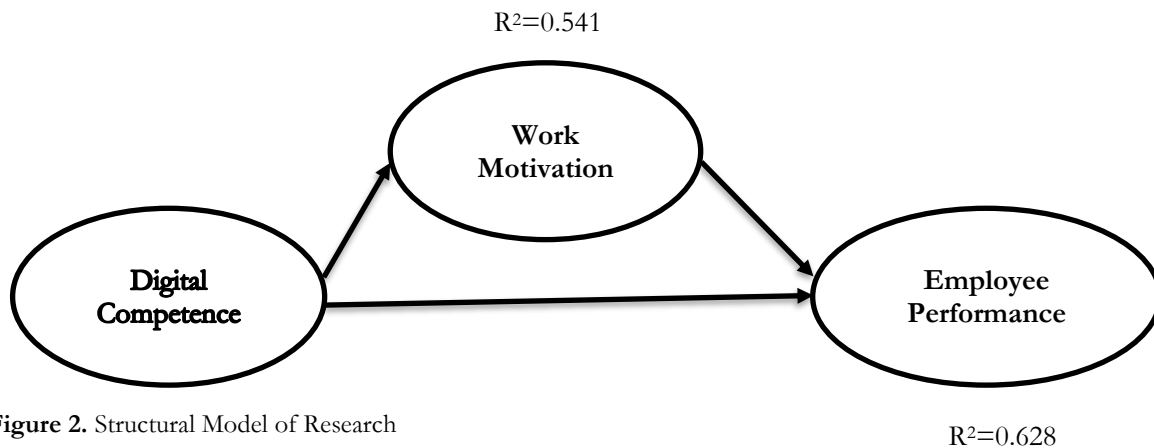


Figure 2. Structural Model of Research

Table 6. Coefficient of determination (R^2) and predictive ability of the Model

Endogenous Construct	Exogenous Construct	R^2	Category Predictions
Work motivation	Digital competence	0.541	Medium
Employee performance	Digital competence+work motivation	0.628	Medium-strong

Predictive relevance (Q^2) obtained through the blindfolding procedure shows that the Model has a high predictive power. Q^2 value for work motivation is 0.398, and employee performance is 0.412, both of which exceed the threshold of 0.35, which indicates a high level of predictive relevance. A positive Q^2 value suggests that the Model can predict accurately, and values exceeding 0.35 confirm that the Model has excellent predictive relevance (Hair et al., 2019; Chin, 1998).

Table 7. Results Predictive Relevance (Q^2)

Construct	Q^2 Value	Threshold	Level of Predictive Relevance	Interpretation

Work motivation	0.398	0.35	Height	The Model has good predictive power.
Employee performance	0.412	0.35	Height	The Model has good predictive power.

Rating Criteria: $Q2 > 0.35 = \text{High}$; $Q2 > 0.15 = \text{Medium}$; $Q2 > 0.02 = \text{Low}$

The effect size (f^2) analysis shows the relative influence of each exogenous variable on the endogenous variable. Digital competence has a large effect size on work motivation ($f^2 = 0.372$), work motivation has a moderate influence on employee performance ($f^2 = 0.321$), and digital competence has a moderate direct influence on employee performance ($f^2 = 0.209$). Based on Cohen's (1988) guidelines, f^2 values of 0.02, 0.15, and 0.35 indicate small, medium, and large effect sizes, respectively, so that all relationships in the Model indicate substantial influence strength.

Table 8. Analysis of Effect Size (F^2) Relationship Between Variables

Exogenous Variables	Endogenous Variables	Effect Size (F^2)	Category Strength	Interpretation
Digital competence	Work motivation	0.372	Large	Very substantial influence
Work motivation	Employee performance	0.321	Medium	A fairly substantial influence
Digital competence	Employee performance	0.209	Medium	Substantial direct influence

Hypothesis Testing and Direct Influence

Table 8. Direct Influence Hypothesis Test

Jalur Pengaruh	Koefisien (β)	t-statistik	p-value
Digital Competency \rightarrow Work Motivation	0,541	11,383	0,000
Digital Competency \rightarrow Employee Performance	0,379	6,105	0,000
Job Motivation \rightarrow Employee Performance	0,463	7,442	0,000

All significant lines at the level of confidence 95% ($p < 0,05$).

The results of the pathway analysis showed that digital Competency significantly affects work motivation ($\beta=0.541$; $t = 11.383$; $p < 0.001$), indicating that increasing digital mastery substantially increases employee intrinsic motivation. In addition, digital competence also has a direct effect on employee performance ($\beta=0.379$; $t = 6.105$; $p < 0.001$), indicating that adequate digital skills also improve work effectiveness. Meanwhile, work motivation has a significant influence on employee performance ($\beta = 0.463$; $t = 7.442$; $p < 0.001$), which confirms the critical role of psychological aspects in driving productivity. Overall, the findings confirm that digital competence not only has a direct impact on performance but also has an indirect impact through increased work motivation.

Mediation Test (Bootstrapping)

Mediation effect analysis shows that work motivation acts as a mediator variable in the relationship between digital competence and employee performance. Indirect effect test results indicate that the path of digital competency \rightarrow work motivation \rightarrow employee performance has a coefficient of $\beta = 0.308$ with a T-statistic value of 4.692 and a significance level of $p = 0.000$. A significance value smaller than 0.05 indicates that this indirect effect is statistically significant, which confirms the existence of a partial mediating role of work motivation (Preacher & Hayes, 2008; Zhao et al., 2010).

Table 9. Test Mediation (Bootstrapping)

Track / Line	Koefisien (β)	t-statistik	P Value	Significance	Conclusion
Competence against employee performance through work motivation(indirect effect)	0.308	4.692	0.000	Significance	Confirmed partial mediation

The partial mediation effect occurs because digital competence not only affects employee performance through work motivation, but also has a significant direct influence on employee performance. The Total effect

of digital competence on employee performance is a combination of direct and indirect effects, i.e., $\beta = 0.379$ (direct effect) + 0.308 (indirect effect) = 0.687 . This significant total effect value shows that digital competence has a powerful influence on employee performance, both directly and through increased work motivation (Hair et al., 2017).

Table 10. Partial Mediation Effect Analysis of Digital Competence

Types of effects	Paths of influence	Koefisien Beta (β)	Description
Direct effect	Digital competence and employee performance	0.379	Direct influence of digital competence on performance
Indirect effects	Digital Competency and employee performance through work motivation	0.308	Influence through the mediation of work motivation
Total effect	Combined direct and indirect effects	0.687	Total impact of digital competence on performance

These findings indicate that increasing digital competence not only contributes directly to improving employee performance but also indirectly through increasing their work motivation. Partial mediation shows that although job motivation plays a vital role as an intermediary mechanism, digital competence still has an independent path of influence on employee performance, which confirms the importance of digital competence development as a comprehensive strategy to improve organizational performance (Baron & Kenny, 1986; MacKinnon et al., 2007).

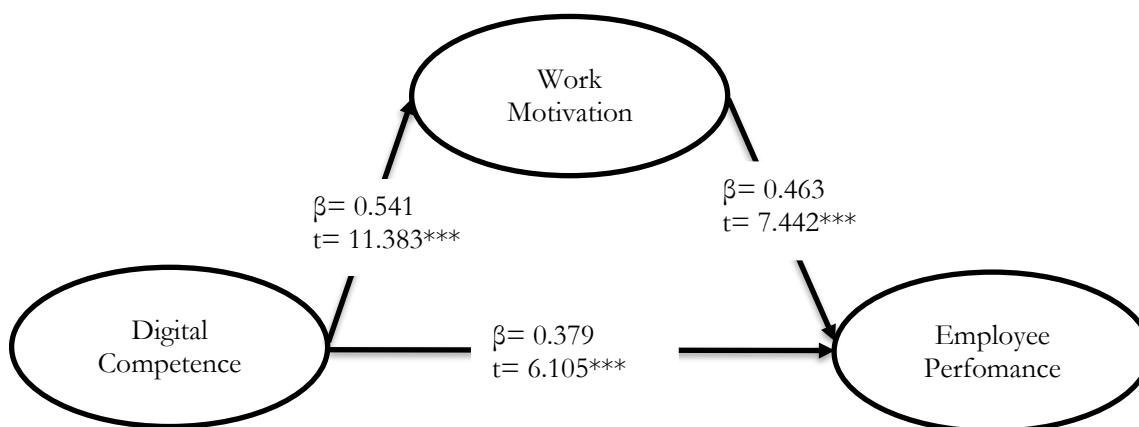


Figure 3. Partial Mediation Effect of Digital Competence

Interpretation of Findings

The main findings show that digital competence not only directly affects employee performance but also has an indirect impact through increased work motivation. It shows that digital competence creates favorable psychological conditions, such as self-efficacy and job control, which trigger intrinsic motivation and ultimately lead to better performance. That is, work motivation is a psychological bridge that connects technical ability with tangible performance outputs.

DISCUSSION

Interpretation of the direct path of Digital competence to employee performance

The results of this study indicate that digital competence has a significant direct influence on employee performance ($\beta = 0.379$, $p < 0.001$). These findings suggest that employees who have a good mastery of information and communication technology can complete work more efficiently, responsively, and innovatively. This is in line with the findings of Van Laar et al. (2020), which affirms that digital competence is positively correlated with increased productivity and adaptability in the public sector. In the digital age, performance is not only measured through physical output, but also through speed, precision, and the ability to use technology strategically. Therefore, digital competence is a key determinant in accelerating the transformation of the performance of the State Civil Apparatus.

Effect of Digital Competence on Work Motivation

Digital Competency was also shown to have a strong positive effect on work motivation ($\beta=0.541$, $p < 0.001$). These results show that when employees have sufficient digital capacity, they feel more confident, empowered, and able to control a technology-based work environment. Within the framework of Self-Determination Theory (Deci & Ryan, 2000), digital competence reinforces two basic psychological needs: competence and autonomy, which in turn increase intrinsic motivation. This finding is reinforced by the study of Tarhini et al. (2017) and Gagné & Deci (2005), who showed that the perception of mastery of technology encourages morale through increased self-efficacy and personal confidence in the contribution to performance.

Role of Work Motivation Mediation

The most important finding of this study is the evidence of significant mediation of work motivation in the relationship between digital competence and employee performance (β indirect = 0.308, $p < 0.001$). That is, digital competence will not optimally drive performance without motivation that moves employees to apply digital capabilities in their work. This confirms that competence without motivation only results in unrealized potential. Motivation acts as a transformative psychological mechanism that activates digital potential into real work output. Ford et al. (2014) found that intrinsic motivation plays a greater role in predicting performance quality than extrinsic incentives, so that strengthening motivation becomes a strategic aspect in digital competency activation.

Confirmation of The Theory

The results of this study empirically strengthen Self-Determination Theory (SDT) by showing that work motivation derived from psychological needs can bridge between competence and performance. This research also supports the Resource-Based View approach (Barney, 1991), which states that human resources such as digital competencies will not be strategic resources if they are not activated through motivational mechanisms. From the perspective of the Technology Acceptance Model (Davis, 1989), the perception of the usefulness and convenience of technology becomes meaningless if it is not supported by an intrinsic drive to innovate and contribute.

Comparison with Previous Studies

These findings are consistent with the research of Wang et al. (2021), which identified that work motivation plays a mediating role in the influence of digital competencies on innovation and organizational performance. On the other hand, a study by Mergel (2019) also revealed that a combination of digital literacy and employee commitment to performance improvement determines the success of digital transformation in government agencies. However, in contrast to previous studies that emphasized structural and organizational aspects, this study provides a new perspective from the individual level, especially in the local bureaucracy in Indonesia.

Theoretical Implications

This research provides an essential theoretical contribution to the development of SDT literature in the context of Public Administration. During this time, SDT theory was more widely applied in the field of education and private organizational psychology. This study broadens its scope within the bureaucratic realm by showing that the need for competence and autonomy remains a relevant determinant of motivation in regulation-based and hierarchical work systems. In addition, this study adds evidence that digital competence is a strategic individual capital that needs to be activated through a motivational process to generate public value.

Practical and Policy Implications

These findings have substantial practical implications for local governments. First, digital training for the State Civil Apparatus must be followed by a psychological empowerment approach to ensure that the competencies built can encourage work motivation. Second, training design needs to integrate intrinsic motivational reinforcement content such as problem solving, digital-based innovation, and feedback on the successful use of technology. Third, performance evaluation systems should adopt indicators that measure how far employees can apply their digital skills independently and have an impact. The State Civil Apparatus development programs should not only be based on administrative output, but also reflect the transformational psychological journey of employees in adopting and internalizing digital competencies into daily work practices.

CONCLUSIONS AND RECOMMENDATIONS

Conclusion

This study aims to analyze the effect of digital competence on employee performance by considering the role of work motivation mediation in the context of the State Civil Apparatus (The State Civil Apparatus) in West Kalimantan province. The results of the analysis showed that:

- 1) Digital competence has a significant direct effect on employee performance, which means that employees with high digital skills tend to show better, responsive, and innovative work performance.
- 2) Digital competence also has a significant effect on work motivation, indicating that mastery of technology increases the perception of self-efficacy and control over work, which triggers intrinsic motivation.
- 3) Work motivation acts as a significant mediator in the relationship between digital competence and performance, proving that digital competence cannot have an optimal impact without the activation of internal employee motivation.

These findings strengthen the framework of Self-Determination Theory (Deci & Ryan, 2000) in the context of digital bureaucracy and provide a new contribution to the development of digital competency-based performance theory and motivation in the public sector. In addition, these findings highlight the importance of psychological approaches in designing interventions to build the capacity of the State Civil Apparatus.

Theoretical Contributions

This research provides a significant theoretical contribution in several aspects. First, this study expands the application of Self-Determination Theory in the context of Public Administration studies, especially in explaining the digital transformation process of the State Civil Apparatus through the perspective of intrinsic motivation, which has been applied more in private or educational organizational settings. Second, this study produces an innovative theoretical model by integrating digital competence as a strategic resource based on the Resource-Based View (RBV) with a work motivation mediation mechanism to achieve superior performance, thus providing a new conceptual framework in understanding the dynamics of digital transformation in the public sector. Third, this study offers a micro-level approach to bureaucratic digital transformation that focuses on the individual The State Civil Apparatus as a unit of analysis, in contrast to the majority of previous studies that examined the phenomenon of digital transformation at the institutional or macro policy level, thus providing a more comprehensive bottom-up perspective in understanding the process of change in government organizations.

Practical Contributions

Based on the research findings, some practical implications can be recommended for the implementation of the digital transformation of the State Civil Apparatus. First, local governments can design digital training programs for the State Civil Apparatus that not only focus on technical aspects, but also combine them with work motivation formation modules that can increase the State Civil Apparatus's engagement and commitment to the use of technology in public services. Second, the development of the State Civil Apparatus human resources should be based on a comprehensive individual digital competency map and integrated with psychological assessments related to motivational readiness, so that the development program can be tailored to the profile and specific needs of each individual in the State Civil Apparatus. Third, the performance management system needs to be revised to contain indicators of the application of technology in The State Civil Apparatus tasks that not only measure the technical capabilities of application use, but also reflect the combination of technical capabilities and digital work initiatives, to encourage The State Civil Apparatus to proactively integrate technology in improving service quality and work effectiveness.

LIMITATIONS AND SUGGESTIONS FOR FURTHER RESEARCH

Research Limitations

This study has some limitations that need to be recognized. First, the study was conducted in only one administrative region, namely West Kalimantan province. Hence, the generalization of the results to the other areas requires caution, given the possibility of differences in demographic characteristics, technological infrastructure, and socio-economic conditions between regions. Second, the use of quantitative approaches limits the ability of research to explore in depth subjective experiences and individual motivational processes that may provide richer insights into the factors influencing the adoption of digital technologies. Third, this study does not

consider potentially significant organizational structural factors such as work culture, leadership style, internal digital policy, and organizational dynamics that can moderate the relationship between the variables studied.

Recommendations for Further Research

Based on the existing limitations, some suggestions for future research can be proposed. First, further research can broaden the geographical scope by conducting cross-provincial comparisons or even examining the relationship between Central-Regional vertical agencies to obtain a more comprehensive picture of the adoption of digital technology in the Indonesian government sector. Second, it is recommended to use a mixed methods approach that combines quantitative and qualitative methods to explore in depth the qualitative aspects of The State Civil Apparatus's motivational experience in applying technology, to reveal nuances and complexities that are not captured through a purely quantitative approach. Third, it is necessary to examine the role of other potential variables such as organizational support, digital workload, digital leadership, organizational culture, or technology infrastructure factors as additional moderator or mediator variables that can enrich theoretical models and provide a more holistic understanding of the factors that influence the adoption and use of digital technology in the The State Civil Apparatus environment.

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