



Empowering Excellence: The Impact of Corporate Governance and Employee Competence on Performance

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Abstract

This study investigates the impact of employee competence and good corporate governance (GCG) on employee performance, with job satisfaction as a mediating variable, focusing on Bank BJB Bandung. Its uniqueness lies in its specific emphasis on the banking sector, particularly regional banks in Indonesia, which are underexplored in prior research. While many studies examine the general relationship between corporate governance, competence, and performance, this research integrates job satisfaction as a mediator in this unique context. The study employs a quantitative approach, with a population consisting of Bank BJB Bandung employees. Using purposive sampling, 80 respondents were selected, and data were collected through questionnaires designed on a Likert scale. The analysis utilizes PLS-SEM with SMARTPLS 3.2 software, offering a robust framework for testing mediating effects. PLS-SEM comprises two components: The Inner model, which examines relationships between latent variables, and the Outer model, which assesses validity and reliability. The findings reveal that job satisfaction mediates the relationship between employee competence and GCG on employee performance. This study contributes theoretically by emphasizing mediation within the context of regional banking and offers methodological innovation through the application of PLS-SEM for analyzing mediating variables.

Keywords: good corporate governance, employee competence, employee performance, job satisfaction

Abstrak

Penelitian ini menyelidiki pengaruh kompetensi karyawan dan good corporate governance (GCG) terhadap kinerja karyawan, dengan kepuasan kerja sebagai variabel mediasi, yang berfokus pada Bank BJB Bandung. Keunikan penelitian ini terletak pada penekanannya yang spesifik pada sektor perbankan, khususnya bank daerah di Indonesia, yang masih kurang dieksplorasi dalam penelitian sebelumnya. Meskipun banyak penelitian yang mengkaji hubungan umum antara tata kelola perusahaan, kompetensi, dan kinerja, penelitian ini secara unik mengintegrasikan kepuasan kerja sebagai variabel mediasi dalam konteks tersebut. Penelitian ini menggunakan pendekatan kuantitatif, dengan populasi terdiri dari karyawan Bank BJB Bandung. Melalui teknik purposive sampling, sebanyak 80 responden dipilih, dan data dikumpulkan menggunakan kuesioner yang dirancang dengan skala Likert. Analisis data menggunakan PLS-SEM dengan perangkat lunak SMARTPLS 3.2, yang menyediakan kerangka kerja yang kuat untuk menguji efek mediasi. PLS-SEM terdiri dari dua komponen: Inner model, yang menguji hubungan antar variabel laten, dan Outer model, yang menilai validitas dan reliabilitas. Hasil penelitian menunjukkan bahwa kepuasan kerja memediasi hubungan antara kompetensi karyawan dan GCG terhadap kinerja karyawan. Penelitian ini memberikan kontribusi teoritis dengan menyoroti mediasi dalam konteks perbankan daerah dan menawarkan inovasi metodologis melalui penerapan PLS-SEM untuk menganalisis variabel mediasi.

Kata Kunci: tata kelola perusahaan, kompetensi karyawan, kinerja karyawan, kepuasan kerja

JEL Classification: G34, G23, J24

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1. Introduction

In the era of globalization and increasingly tight business competition, the Putting Good Corporate Governance (GCG) principles into practice is essential for the long-term viability and effectiveness of an organization, including in the banking sector. GCG not only plays a role in increasing transparency and accountability, but further aids in the creation of skilled human resources. A framework for integrating organizational structures in the execution of tasks to accomplish the goals of good corporate governance desired goals.(Boachie, 2023).

The effectiveness of good corporate in a company is very important for the success of employee performance. By implementing GCG, open information, responsible leadership, fair treatment and good performance will be achieved for each employee in fulfilling their obligations and receiving all rights in the development of a company's organization.(Dawood et al., 2023). The implementation of GCG on human resource competency greatly influences the quality of employee performance. Improvements in the implementation of GCG tend to have better competency because they are in a more open environment and can add value to stakeholders, including employees in the company.(Nawaz & Ohlrogge, 2023).

Research byAlshebami (2021),shows that ineffective GCG implementation in banks can reduce employee performance. Despite efforts to build job satisfaction, dissatisfaction with management transparency and accountability has a negative impact on employee performance. Employees who do not feel appreciated tend to show lower performance. A study byIneke et al., (2022)shows that an unsupportive work environment, due to weak GCG implementation, can hinder employee performance. Workers who are unhappy with their workplaces typically perform their jobs less well than they could, despite the fact that they have good competence.

At Bank BJB Bandung, efforts to implement good GCG are expected to create a supportive work environment, which in turn affects employee performance. Bank BJB Bandung is chosen as the study's main focus due to its strategic positioning as one of Indonesia's largest banks for regional development, particularly in West Java and Banten. This bank has a strong commitment to fostering regional economic expansion by offering a range of financial services and products. Bank BJB's extensive business scope makes it difficult to guarantee that Good Corporate Governance (GCG) is implemented effectively to provide a supportive work environment. This study provides an opportunity to assess how GCG affects employee work performance. Aside from this, this bank is a good representation for assessing the state of the industry's banking sector as it becomes more robust. Employee performance is an important indicator of the effectiveness of a bank's operations. Various factors can affect this performance, including employee competence and job satisfaction. Employee competence, which includes knowledge, skills, and attitudes, serves as the main driver in carrying out their duties and responsibilities (Mangifera et al., 2022). On the other hand, job satisfaction is an important variable that can mediate the relationship between GCG and employee performance. Employees who are satisfied with their work environment tend to show better performance, higher commitment, and have greater motivation.

The purpose of this study is to examine how GCG and employee competency affect Bank BJB Bandung employees' performance and to determine whether job satisfaction functions as a mediating factor. It is anticipated that knowing how these factors interact will give firms a better knowledge of how to maximize worker performance using a strategy founded on competency development and good governance. It is anticipated that Bank BJB management and other organizations will use the study's findings as a guide to increase employee performance effectiveness in the future.

2. Literature Review and Hypothesis

Good employee competence can improve overall company performance. It is very important for organizational goals in quality human resources to influence success and achieve desired goals. Employee competence is related to a person's ability to complete tasks well and have attitudes, abilities, and information appropriate to the task at hand. According to Fajriyani et al.'s (2023) theory, if workers are highly competent, they can provide an increase in the work results owned by employees. This statement is supported by the results of empirical research from Isa & Rahmah, (2023) who found that competence has a positive have a major impact on their subordinates' work output. Competence is the capacity to perform tasks using knowledge and abilities backed by attitudes in the workplace. Every person has unique skills in a variety of areas, and one can determine a person's competency by looking at the level of work performance that is very helpful to the company (Kitta et al., 2023).

In the corporate world, employee performance affects success in doing something It can be accomplished by enhancing an employee's skills. According to Hidayat et al. (2020), a company's human resources are crucial to executing its operations and reaching its objectives. Enhancing employee performance and building their capacity to deliver quality outcomes have an impact on the accomplishment of business objectives. Employee performance is an intriguing and crucial component since it has been shown to be crucial, and an organization wants workers to put in a lot of effort in accordance with their abilities to achieve good work results, without good performance from all employees, success in achieving goals will be difficult to achieve (Latif et al., 2022).

One aspect that influences performance is employee job satisfaction, this is supported by Ampofo, (2021) namely that job satisfaction is an important aspect because it can affect employee performance and work enthusiasm. According to (Hartika et al., 2023) job satisfaction is a positive emotional condition of employees in assessing work results and work experience, while job satisfaction according to Pearl Dlamini et al., (2022) is a picture of employee feelings towards their tasks and work. High job satisfaction means that employees are able to be responsible and do their jobs well, so that it will have a positive impact on the company. Satisfaction at work affects the performance carried out. According to Sinambela (2012) someone who has high satisfaction will take positive actions towards their work, conversely people who are dissatisfied will show negative actions.

Hypothesis

The Influence of Good Corporate Governance on Employee Performance

The principles Transparency, accountability, responsibility, independence, and fairness are the components of good corporate governance (GCG), which can enhance employee performance in the workplace and provide a favorable impression for the business. Sarwar et al. (2020) assert that GCG methods can enhance employee performance in performing their jobs, resulting in advantages for both the business and its employees. Effective worker performance is the outcome of a regulation called corporate governance to regulate the flow of workers who have the aim of advancing the company.

Research There has been a lot of study on the connection between good corporate governance and employee performance. For example, studies by Diamantidis & Chatzoglou (2019), Mangifera et al. (2022), and Nawwez & Ohlrogge (2023) show that GCG principles have a big impact on staff performance. Companies that have implemented GCG principles in their companies will have an impact on their employee performance system, because there is transparency, accountability, responsibility, and fairness that can discipline employees in

working. From previous studies, it can be concluded that the principle of good corporate governance has an effect on employee performance.

H1: Good Corporate Governance has a significant impact on Employee Performance

The Influence of Competence on Employee Performance

Workers with work competence typically possess strong performance skills and the ability to finish tasks in accordance with corporate goals. In this instance, it might give workers the motivation they need to keep going on with their work in order to maximize their potential. Workers who possess skills relevant to their line of work will be more cautious about the outcomes they achieve. High competency can get better performance in their work and improve the quality of self in an employee himself. Explaining that the Additionally, Herwina (2022), Fajriyani et al. (2023), and Isa & Rahmah (2023) support the findings of this theory. Employee performance is positively and significantly impacted by competence, according to empirical research. which clarifies that if an employee competence is good, it will have an impact on good employee performance.

H2: Competence influences employee performance

The Influence of Good Corporate Governance on Job Satisfaction

The principle of Good Corporate Governance is a corporate governance that is able to regulate the running of the company to achieve the goals it seeks. With job satisfaction as the basis, an employee can carry out his/her responsibilities optimally. Implementing the principle of good corporate governance that can foster job satisfaction so that it can foster good performance and can increase the value of self-quality in employees. Satisfaction is one of the very important factors for the company, because satisfaction can provide optimal work results for a person. Based on previous research, the application of the principles of good corporate governance was obtained Mantik et al., (2024) said that satisfaction has an influence on the principle of good corporate governance in Hospital leadership. The research hypothesis is in line with research conducted by Mantik et al., (2024) said that good corporate governance variables affect job satisfaction.

H3: Good corporate governance has an effect on job satisfaction

The Influence of Job Competence on Job Satisfaction

Competence in work is the ability that a person has based on knowledge of personal, scientific and spiritual abilities. This is in in line with Lawler's thesis, which holds that one of the input factors influencing job happiness or discontent is an individual's level of skill. A person with strong job skills can be identified by the person's satisfaction in doing something well. Explained in previous research by Administrate et al., (2022) that competence influences a person's job satisfaction.

H4: The influence of competence on job satisfaction

The Influence of Job Satisfaction on Employee Performance

Job satisfaction affects employee performance because satisfied employees tend to be more motivated, productive, and committed to their tasks. Satisfaction creates a positive work environment, increases loyalty, and reduces stress levels, all of which have a direct impact on the quality of work and the results achieved. In addition, job satisfaction also encourages better collaboration between coworkers, strengthening teams and efficiency. Explained in previous research by Udanarti, (2022) that job satisfaction influences a person's performance.

H5: The Mediating Effect of Satisfaction on Employee Performance

Job Satisfaction Mediates the Influence Good Corporate Governance on Employee Performance

Job satisfaction is a person's feelings and assessments of their work, especially regarding their working conditions, in relation to how well their work is able to meet their expectations, needs, and desires. In the satisfaction resulting from a feeling of corporate workers, there is a regulation that regulates the principles of a company in order to improve a person's performance. Satisfaction arises from a feeling of completing a responsibility that is in accordance with the objectives and produces good results. Good performance arises from the results of an employee who feels capable and has a sense of pleasure in carrying out activities for what is done. In this study, this hypothesis is in line with the results of previous research conducted by Karina & Nuvriasari, (2024) who found that job satisfaction has an effect on employee performance

H6: Satisfaction mediates Good Corporate Governance on Employee Performance

Job Satisfaction Mediates the Effect of Competence on Employee Performance

In employee competence can have a positive effect on employee job satisfaction. If the organization can provide development that can be demonstrated by employees, the ability, skills of employees to improve a person's self-development. The relationship between these variables is supported based on the results of previous research that has been conducted by Tistianingtyas & Parwoto, (2021) who found that good competence possessed by employees has a positive and significant influence on job satisfaction. In good performance resulting from employee job satisfaction. Employees who feel satisfied in working will always be positive and always have high creativity. So in this study concluded that satisfaction mediates the influence of competence on employee performance

H7: Job satisfaction mediates the influence of competence on employee performance

Research Concept Framework

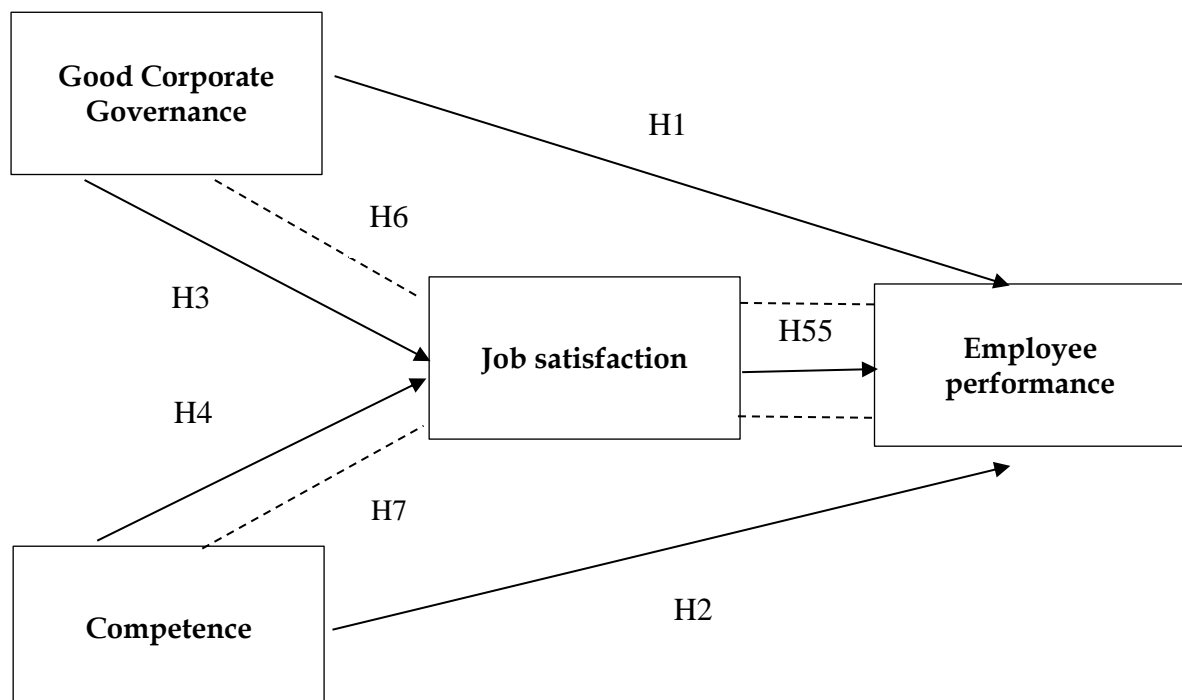


Figure 1. Research Concept Framework

3. Data and Method

This study employs a quantitative methodology, gathering data through a questionnaire. This study used a survey as its research method. Employees of Bank BJB Bandung made up the study's population. The sample strategy employed in this investigation was non--probability with purposive sampling techniques.(Sekaran & Bougie, 2016)states that the purposive sampling technique is a sampling determination technique with certain considerations.

This study compiles its data by utilizing primary data. Information is collected through respondents' responses using interview methods or closed questionnaires. Primary data refers to information obtained directly by researchers from primary sources, related to the variables of interest for the specific purpose of this study. The data collection method applied in this study is through questionnaire distribution. The questionnaire was designed using a Likert scale format, where the scale commonly used in compiling questionnaires is the interval scale.

Data Analysis Methods Using PLS-SEM analysis to estimate and explore a number of complex models with less stringent data requirements. In this study, the data analysis technique used is PLS (Partial Least Square) with the help of SMARTPLS 4.0 Software. One of the advantages of using PLS is that the sample quantity required is relatively small. The SMARTPLS approach is considered stronger because it does not depend on certain assumptions, and can test SEM models with various types of scales, such as Likert and ratio. PLS-SEM analysis consists of two components, namely the Inner model and the Outer model

4. Results

Outer Model Analysis

In this study, hypothesis testing uses the Partial Least Square (PLS) data analysis technique with the SmartPLS 3.2 program. The following is a schematic of the PLS program model being tested.

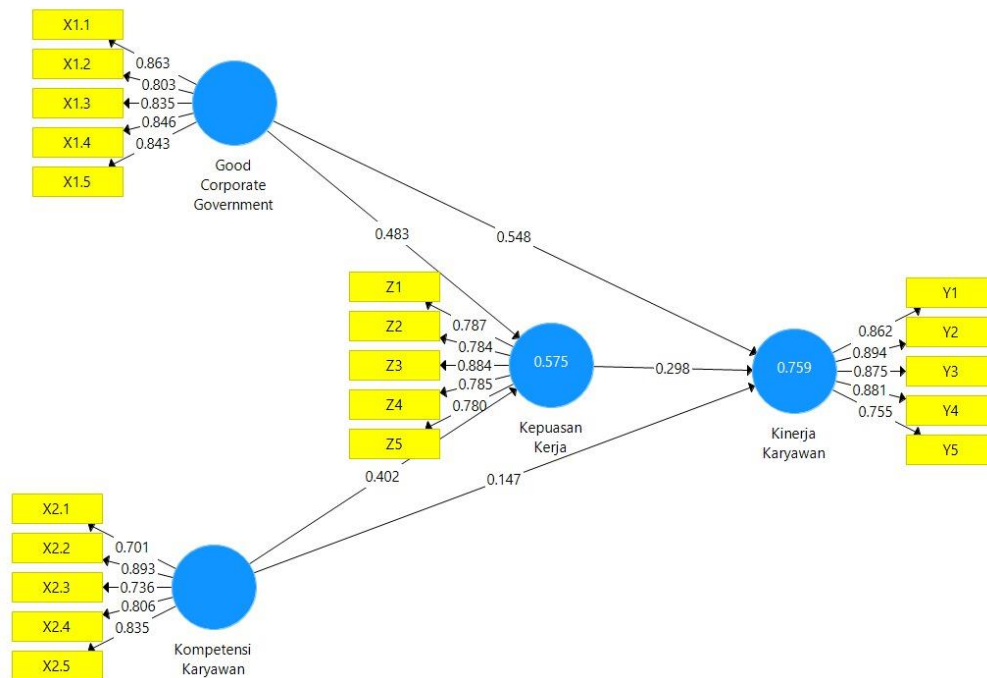


Figure 2. Outer Model

Outer model testing is used and carried out to determine the specifications of the relationship between latent variables and their indicators, this test includes validity, reliability and multicollinearity.

Inner Model Analysis

In this study, the results of the goodness of fit test, path coefficient test and hypothesis test will be explained. The inner model is used to test the influence between one latent variable and another latent variable. Inner model testing can be done with three analyses, namely measuring the R2 value (R-square), Goodness of Fit (Gof), and path coefficient.(Achmad & Kuswati, 2021).

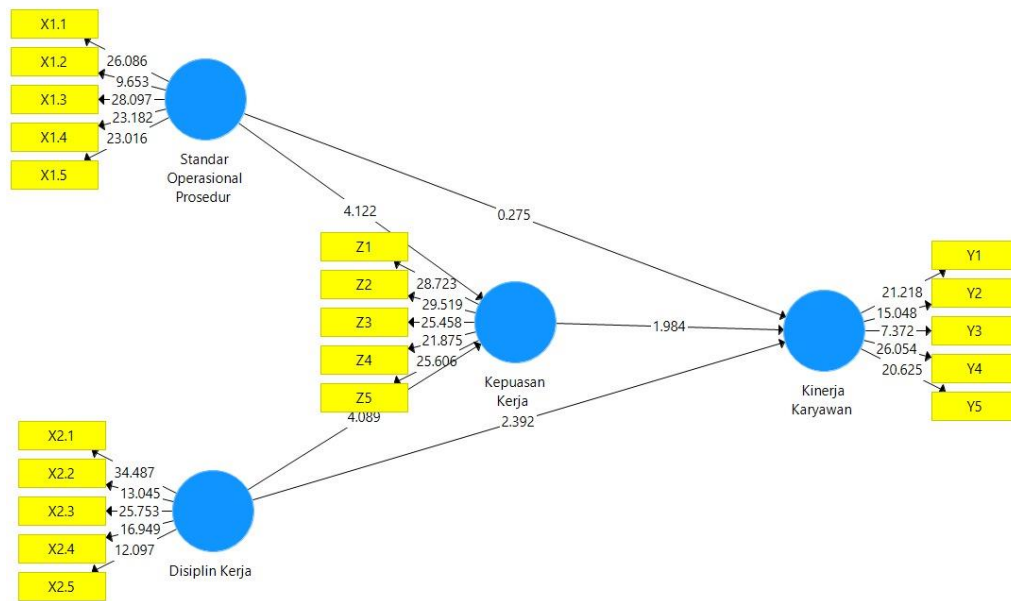


Figure 3. Inner Model

Goodness of fit test

Structural model evaluation is conducted to show the relationship between manifest and latent variables of the main predictor variables, mediators and outcomes in one complex model. The goodness of fit test of this model consists of two tests, namely R-Square (R2) and Q-Square (Q2).

The R2 or R-Square value shows the determination of exogenous variables on endogenous variables. The greater the R2 value indicates a better level of determination. R2 values of 0.75, 0.50, and 0.25 can be concluded that the model is strong, moderate, and weak (Ghozali, 2015). The following are the values of the coefficient of determination in this study.

Table 1. R-Square Value

	<i>R-Square</i>	<i>R-Square Adjusted</i>
Employee performance (Y)	0.759	0.750
Job satisfaction (Z)	0.575	0.564

Source: Primary data (2024)

Based on table 4. R-Square is used to see the magnitude of the influence of the variables. Good Corporate Governance, and Employee Competence on employee performance, namely with a value of 0.759 or 75.9%, it can be said that this relationship is a strong relationship. Then to see the magnitude of the influence of the variables Good Corporate Governance, and Employee Competence on Job Satisfaction, namely with a value of 0.575 or 57.5%, it can be said that this relationship is a moderate relationship.

The next test is the Q-Square test. The Q2 value in testing the structural model is done by looking at the Q2 (Predictive relevance) value. The Q2 value can be used to measure how good the observation value produced by the model and its parameters are. A Q2 value > 0 indicates that the model has predictive relevance, while a Q2 value < 0 indicates that the model has less predictive relevance. The following are the results of calculating the Q-Square value:

$$\begin{aligned}
 Q\text{-Square} &= 1 - [(1 - R^2_1) \times (1 - R^2_2)] \\
 &= 1 - [(1 - 0.759) \times (1 - 0.575)] \\
 &= 1 - (0.241) \times (0.425) \\
 &= 1 - (0.138575) \\
 &= 0.861425
 \end{aligned}$$

Based on the research results above, the Q-Square value obtained was 0.861425. The value This explains the diversity of research data can be explained by the research model by 86.1%, while the remaining 13.9% is explained by other factors outside this research model. Thus, from the results of these calculations, this research model can be stated to have good goodness of fit.

Hypothesis Testing

Hypothesis testing in this study was carried out using a path coefficient score table to measure the influence between variables. The path coefficient was tested through a bootstrapping process to obtain t-statistics or p-values (critical ratios), the original sample values generated from the process. A p-value below 0.05 indicates a direct impact between variables, while a p-value above 0.05 indicates no direct impact. In this study, the significance limit used was a t-statistic of 1.96 (significance level = 5%). If the t-statistic is more than 1.96, it means there is a significant influence. Hypothesis testing was carried out using the following SmartPLS version 4.0 software including the path coefficient scores obtained from the test.

Direct Effect

Table 2. Path Coefficient (Direct Effect)

	Hypothesis	Original Sample	t-Statistics	P Values	Information
Good Corporate Governance->Employee performance	H1	0.548	6,344	0,000	Significant Positive
Employee Competence->Employee performance	H2	0.147	1,652	0.053	Positive Not Significant
Good Corporate Governance->Job satisfaction	H3	0.483	4,619	0,000	Significant Positive
Employee Competence->Job satisfaction	H4	0.402	4,048	0,000	Significant Positive
Job satisfaction->Employee performance	H5	0.298	3,752	0,000	Significant Positive

Source: Primary data (2024)

Indirect Effect Test

The next step is to test the indirect effect that can be understood from the results of the Specific Indirect Effect. If the p-value < 0.05 , therefore the result is significant, which proves that the mediator variable mediates the impact of the exogenous variable on the endogenous variable, meaning that the impact is indirect. Conversely, if the p-value > 0.05 , the result is not significant, which proves that the mediator variable does not mediate the impact of the exogenous variable on the endogenous variable, so that the impact is direct. The following is the value of the Specific Indirect Effect.

Table 3. Specific Indirect Effect

	Hypothesis	Original Sample	t-Statistics	P Values	Information
Good Corporate Governance(X1) -> Job satisfaction(Z) ->Employee Performance (Y)	H6	0.144	2,978	0.002	Significant Positive
Employee Competence(X2) -> Job satisfaction(Z) ->Employee Performance (Y)	H7	0.120	2,662	0.004	Significant Positive

Source: Primary data (2024)

5. Discussion

The Influence of Good Corporate Governance on Employee Performance

This study found that the Employee performance is significantly improved by the application of good corporate governance (GCG). One of the key tenets of GCG is decision-making transparency. Employees feel more comfortable performing their jobs when there is open and transparent communication. This encourages them to actively participate in the work process and reduces the sense of uncertainty that often hinders productivity. Clear accountability also fosters a sense of responsibility among employees, which has a positive impact on their performance. Good GCG creates an ethical and professional work culture. In a supportive environment, employees feel more appreciated and motivated to contribute optimally. When employees feel safe and respected, they tend to perform better. A positive work environment also serves as a barrier to negative behavior that can be detrimental to team performance.

The results of this study are in line with those carried out by Koeswayo et al., (2024) and Amalya & Setiawan, (2024) and Nawaz & Ohlrogge (2023) who found that Good Corporate Governance influential to Employee performance.

The Influence of Employee Competence on Employee Performance

This study shows that employee variables have a positive but insignificant effect on employee performance. The variable "employee" in this context may include various aspects, such as motivation, expertise, and experience. Although these factors have the potential to improve performance, their effects can vary depending on the context and situation in the workplace. Employee performance is not only influenced by individuals, but also by a supportive work environment. If the work environment is not conducive, for example, lack of adequate facilities or poor communication, employees, even though they have potential, may not be able to show their best performance. Overall, although employees have a positive effect on performance, the effect is not significant. This shows that employee performance is influenced by many factors, including the work environment, management support, and job satisfaction. Therefore, in an attempt to enhance overall employee performance, businesses need to take these different factors into account.

This study's findings are consistent with those of Amirudin & Nugroho, (2022) And Herwina (2022); Herwina (2022); Fajriyani et al., (2023); Isa & Rahmah, (2023) which explains if Employee Competence is not influential to Employee performance.

The Influence of Good Corporate Governance on Job Satisfaction

This study demonstrates that job satisfaction is positively impacted by the use of good corporate governance, or GCG. Among the main principles of GCG is transparency. When companies implement transparency in decision-making and policies, employees feel more valued and involved. Clear and open information about company goals, strategies, and performance results can increase employees' sense of ownership of the organization, which in turn increases their job satisfaction. Good GCG implementation often creates a more ethical and professional work environment. Workers are more likely to be happy in their positions when they are part of a supportive and upbeat company culture. Collaboration and positive interpersonal relationships are fostered in a supportive work environment, and these factors also increase job satisfaction. All things considered, this study demonstrates that employee job satisfaction is positively impacted by good corporate governance. Businesses can increase overall job satisfaction by fostering a stimulating and encouraging work environment through the application of GCG principles.

The results of this study are in line with those carried out by Mantik et al., (2024) And Arofah, (2024) which explains if Good Corporate Governance influential to Job satisfaction

Influence Employee Competence on Job Satisfaction

According to this study, job happiness is positively impacted by staff competence. Better performance is frequently the result of high competence. Employees are happier with the contribution they provide to the company when they can accomplish goals and tasks efficiently. This feeling of achievement boosts job satisfaction when workers witness observable outcomes from their efforts. Employees who demonstrate high competence often receive recognition from superiors and coworkers. This recognition is important in increasing job satisfaction, because employees feel that their efforts and contributions are appreciated. This appreciation can be in the form of positive feedback, awards, or opportunities to take on larger roles in projects. Overall, this study confirms that employee competence has a positive effect on job satisfaction. By increasing competence, companies not only improve individual performance, but also create a more satisfying and productive work environment.

The study's findings are consistent with those of Administrate et al. (2022); Manik & Wiarah (2014); Gijoh (2013); and Supianto (2015), who came to the conclusion that competence significantly affects job satisfaction.

Influence Job satisfaction on Employee Performance

This study demonstrates that employee performance is positively impacted by job happiness. Employee incentive to perform better is fueled by high job satisfaction. Employee satisfaction is positively correlated with enthusiasm and engagement at work. Employees are more productive and motivated to meet goals because to this motivation. Workers that are happy in their positions are typically more dedicated to the company. They feel connected to the company's goals and values, which drives them to give their best in their work. This commitment contributes to improved overall performance. Overall, this study confirms that job satisfaction has a positive effect on employee performance. By creating an environment that enhances job satisfaction, companies can improve individual and team performance, which ultimately contributes to the overall success of the organization.

The results of this study are in line with those carried out by Administrate et al., (2022) and (2022) which explains if job satisfaction influential to employee performance.

Job Satisfaction Mediates the Influence Good Corporate Governance on Employee Performance

This study shows that job satisfaction acts as a mediating variable in the relationship between Good Corporate Governance (GCG) and employee performance. GCG includes practices that ensure transparency, accountability, and ethics in company management. Good implementation of GCG can create a conducive work environment, which in turn affects employee job satisfaction. Job satisfaction serves as a bridge connecting GCG with employee performance. When companies implement GCG principles, employees feel more appreciated and involved in the work process. This increases job satisfaction, which then contributes to improved performance. Overall, this study reveals that job satisfaction mediates the effect of Good Corporate Governance on employee performance. By ensuring effective implementation of GCG, companies can increase job satisfaction, which in turn contributes to improved employee performance. This emphasizes the importance of integration between GCG practices and attention to employee welfare in achieving organizational goals.

The results of the study are in line with studies conducted by Karina & Nuvriasari, (2024) And Koeswayo et al., (2024) which shows that job satisfaction mediates the relationship Good Corporate Governance tagainst Employee performance

Job Satisfaction Mediates the Effect of Employee Competence on Employee Performance

According to this study, the relationship between employee competence and performance is mediated by job satisfaction. Job satisfaction serves as a link between performance and competence. Workers may not perform at their best if they are unhappy with their work but nonetheless feel capable. On the other hand, workers who believe skilled and satisfied tend to contribute more to performance. When employees have the right skills and feel valued, their self-confidence increases. This self-confidence contributes to higher contentment at work. Confident workers are more likely to take the initiative and finish tasks successfully, which improves performance. Overall, this study demonstrates that the relationship between employee competence and performance is mediated by job satisfaction. By increasing job satisfaction, companies can maximize the potential of employee competence, which contributes to improved organizational performance.

The results of the study are in line with studies conducted by (Shah et al., 2023) and Tistianingtyas & Parwoto, (2021), which shows that job satisfaction mediates the relationship Employee competency tagainst Employee performance

6. Conclusion

The following conclusions were drawn from the outcomes of the conversation that was held: In addition to having a positive and significant impact on employee performance, good corporate governance also has a positive and significant impact on job satisfaction, employee competence has a positive and significant impact on job satisfaction, and employee competence has an influential positive not significant to employee performance impact on Employee Performance, Job Satisfaction mediates the relationship Good Corporate Governance tagainst Employee performance, job satisfaction mediates the relationship Employee competency tagainst Employee performance.

The managerial implication is to emphasize the importance of the role of management in creating a framework that supports the achievement of optimal performance. Managers must ensure consistent implementation of Good Corporate Governance (GCG), including

transparency in decision-making, accountability for results, and the implementation of a strong work ethic. In addition, employee competency development must be a priority through training that is relevant to organizational needs and industry trends. Managers also need to create a work culture that empowers employees, rewards their contributions, and encourages active participation in the decision-making process.

Recommendation

To improve organizational performance, Bank BJB Bandung can strengthen the implementation of Good Corporate Governance (GCG) by increasing transparency, accountability, and ethics in company management to build employee trust. In addition, companies need to design training programs based on job needs to improve employee competencies, such as technical training and career development. Job satisfaction can also be improved by creating an inclusive and supportive work environment through open communication, performance-based rewards, and management support. Finally, an effective feedback system, either through regular evaluations or digital platforms, can help employees understand their performance while motivating them to achieve better targets.

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