THE MEDIATING EFFECT OF ORGANIZATIONAL COMMITMENT ON THE RELATIONSHIP BETWEEN COMPETENCE, WORK ENVIRONMENT, AND EMPLOYEE PERFORMANCE

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ABSTRACT
Employee performance refers to the outcomes or achievements of employees evaluated in terms of quality and commitment based on the work standards established by the organization or company. The objectives of this study are as follows: (1) to examine the effect of competence on employee performance, (2) to analyze the effect of the work environment on employee performance, (3) to assess the effect of competence on employee performance through employee commitment as a mediating variable, and (4) to evaluate the effect of the work environment on employee performance through employee commitment as a mediating variable.
The research was conducted on 91 civil servants (ASN) at the Department of Industry and Trade of East Java Province. The data analysis technique employed was Partial Least Squares (PLS).
Based on the results of data analysis, the study concludes that: (1) higher employee competence contributes to better employee performance, (2) a supportive and conducive work environment enhances employee performance, (3) employee commitment serves as a mediating variable that strengthens the relationship between competence and employee performance, and (4) employee commitment also mediates the relationship between the work environment and employee performance.
Keywords: Competency, Work Environment, Employee Commitment, Employee Performance

1. Introduction

Human resources constitute a crucial element in every organization or institution. The success or failure of an organization is largely determined by the quality of its employees in overcoming challenges to achieve organizational objectives. Organizations that possess competent, skilled, and high-quality human resources tend to experience better employee performance, thereby contributing positively to overall organizational effectiveness. Consequently, human resources are considered a vital asset that plays a strategic role in realizing the organization's vision and mission. According to Susan (2019), human resources serve as a key determinant in the development and progress of an organization. Therefore, organizations require productive human resources as the main driving force in carrying out their institutional functions and responsibilities.

Human Resource Management (HRM) refers to the process of managing people with the objective of achieving organizational goals through productive individual contributions, ensuring that work is carried out optimally and effectively (Susan, 2019). Hasibuan (2017) defines HRM as a discipline that studies employee relations and roles so that they can work efficiently and effectively in achieving organizational objectives. In essence, HRM focuses on managing human potential to ensure that employees contribute maximally to organizational success.

Performance, in this context, refers to the results achieved by employees in terms of both quality and quantity when carrying out their responsibilities. Nofiar et al. (2021) state that one of the main factors influencing performance is ability, which can be observed through an employee's potential and educational background relevant to their position. Therefore, employees should be placed in positions that align with their competencies to achieve optimal results. Employee performance is typically evaluated based on the quality of work and the level of commitment demonstrated toward the established organizational standards. Good performance reflects optimal performance, meaning that employees' output meets organizational standards and supports the achievement of institutional goals.

In practice, every organization expects its employees to perform at a high level to accomplish institutional objectives, often without adequately considering the factors influencing such performance. However, fundamental aspects such as competence and the work environment play a significant role in shaping individual performance. The phenomenon observed at the Department of Industry and Trade of East Java Province indicates that both competence and the work environment have not been fully

optimized, resulting in a decline in employee performance and the failure to achieve predetermined targets. This condition highlights the need for further research on the influence of competence and work environment on employee performance.

Efforts to enhance performance accountability within government institutions still require improvements in the implementation of the Government Agency Performance Accountability System (SAKIP), particularly concerning performance measurement, reporting, evaluation, and achievement. The failure to meet performance targets indicates that employee performance remains suboptimal, which ultimately affects the organization's ability to achieve its vision and mission.

Data show that the realization of provincial government program performance in 2020 reached only 31.43% of the 80% target, and in 2021 increased slightly to 34.84% of the 84% target. Meanwhile, the ASN professionalism index achieved 50.74% in 2020 and 50.807% in 2021, both below the expected 85.6% target. These figures demonstrate that performance outcomes have not met organizational expectations, indicating a decline in employee professionalism. This decrease may be caused by an unsupportive work environment or a mismatch between employees' competencies and their job requirements.

Every organization aspires to achieve success, and to realize this goal, high-quality employees are essential. The development of quality employees requires individuals with strong competencies that align with their job responsibilities, as well as motivation to work efficiently, effectively, and productively. In addition to competence, a conducive and supportive work environment is equally important to enhance professionalism and employee performance, thereby enabling the organization to achieve its strategic objectives optimally.

Competence and the work environment are essential factors that enable employees to contribute effectively toward achieving organizational goals and improving productivity. According to Soetrisno and Gilang (2018), competence encompasses the abilities, knowledge, and skills required by employees to deliver strong performance outcomes. Competence serves as a critical determinant of employee performance—individuals who possess the necessary skills, knowledge, and behaviors aligned with their job roles are more likely to achieve optimal performance, thereby supporting overall organizational success (Nofiar et al., 2021). In this context, employee competence can be defined as a set of characteristics, including the ability, knowledge, and behavioral attitudes required to perform one's duties effectively within a specific position.

The work environment, on the other hand, comprises all the physical and non-physical elements surrounding employees that influence and support their performance (Suryadi & Yusuf, 2022). As stated by Heizer and Render (2015), the work environment represents the setting in which employees perform their tasks and significantly affects their performance, safety, and work quality. A conducive work environment can improve employee productivity and efficiency, helping organizations or companies realize their vision and mission while simultaneously minimizing operational costs.

Empirical studies have shown mixed results regarding the influence of competence and the work environment on employee performance. Dwiyanti et al. (2018) found that competence positively affects employee performance, a finding supported by Nofiar et al. (2021), who discovered a significant relationship between competence and employee performance at PT. Wisesan Jaya Makmur, Tangerang. Conversely, research by Rosmaini and Tanjung (2019) reported that competence does not have a significant impact on employee performance.

Similarly, studies on the work environment have also demonstrated varying outcomes. Research by Elizar and Tanjung (2018) revealed that the work environment significantly influences employee performance at the Regional Disaster Management Agency of Deli Serdang Regency. Supporting this, Nasution (2020) found that the work environment has a positive and partially significant effect on employee performance at PT. Asam Jawa. In contrast, Suparman (2020) found that the work environment variable (X1) had a significance value of 0.315, indicating that it did not have a partial significant effect on employee performance.

Based on the aforementioned background, it can be concluded that issues related to employee competence and the work environment remain suboptimal, potentially affecting organizational performance. These conditions form the basis for the researcher's interest in conducting a study entitled "The Mediating Effect of Organizational Commitment on the Relationship Between Competence, Work Environment, and Employee Performance."

2. Theoretical Basis

Competence

Competence is an ability to carry out or carry out a job or task that is based on skills and knowledge and is supported by the work attitude demanded by the job (Wibowo, 2017). According to Aulia (2021), competence is "the ability *(ability)* or capacity of a person to carry out various tasks in a job. Competence is an ability possessed by employees in carrying out tasks or work, individual work effectiveness, personality and knowledge and skills of employees in carrying out job duties (Rosdyanti and Suwarto, 2020). Boyatzis in Rosmaini and Tanjung (2019), defines that competence is the capacity that exists in someone who can make that person able to fulfill what is required by work in an organization so that the organization is able to achieve what it expected. Competence shows a characteristic of knowledge and skills possessed or needed by each individual that enables them to carry out their duties and responsibilities effectively and raise professional quality standards in their work (Mulia and Saputra 2021).

The abilities possessed by a person, be it an employee or clerk in carrying out his professional duties, are obtained through education and training so as to produce satisfying work (Tumanggor and Girsang, 2021).

Work environment

The work environment, according to the researcher's proposition, is everything that exists around employees who have the power to influence them in carrying out their duties, both directly and indirectly in the form of work facilities, workplace atmosphere and social relations between fellow workers and superiors (Sabilalo, 2020). Nitisemito (2019) stated that the work environment is everything that is around workers who can influence them in carrying out the tasks assigned. According to Mangkunegara (2017) the work environment is the whole of the tools and materials faced by the surrounding environment where a person works, his work methods and work arrangements both as individuals and groups. This is in line with Wursanto in Nabawi (2019) who defines the work environment as everything related to the physical and psychological aspects that will directly or indirectly affect employees. The work environment in a company is very important for management to pay attention to. The work environment has an influence directly to employees, where the work environment can improve employee performance. Conversely, an inadequate work environment can reduce employee performance. With a good work environment, employees will feel comfortable working in the company or organization, even though it seems trivial, it turns out to have a big influence on the effectiveness and efficiency of carrying out tasks.

Rahmawati, et al (2021) stated that the work environment is everything that is around workers and which can influence them in carrying out assigned tasks, for example cleaning, music, lighting and others. Sedarmayanti (2017) states that good working environmental conditions will support employee productivity which will ultimately have an impact on increasing employee performance levels. The definition of the work environment is also stated by Taiwo (2010), the work environment is everything, events, people and others that affect the way people work. The work environment is a collection of factors that are both physical and non-physical, where both affect the way employees work. The situation at work is a non-physical work environment, while people or equipment are a physical work environment.

Employee Commitment

Employee Commitment is an attitude that reflects employee loyalty to a company or organization and an ongoing process in which organizational members express their concern for the organization and its success and sustainable progress (Permana et al, 2019). Mekta (2016) defines Employee Commitment as an attitude that reflects employee loyalty to the organization and process continuous process in which members of the organization express their concern for the organization. Employee Commitment can grow from an emotional bond with the company which includes moral support, values within the company and a willingness to serve the company.

commitment is an identification of a person's involvement in the organization to maintain membership in the organization and is willing to work hard for the achievement of organizational goals. Employee Commitment includes member pride, member loyalty, and member will to the organization. Employees have high Employee Commitment if they have trust and accept organizational goals and values, are willing to work towards achieving organizational goals, and have a strong desire to survive as members of the organization (Cahyani et al, 2020).

Performance

Performance is the result of work produced both in quality and quantity that has been achieved by an employee in carrying out his duties based on the skills, experience, sincerity and responsibility given to him (Nofiar et al, 2021). According to Hidayat (2020), performance is the final result obtained from the goals set in a plan, where performance measures are produced from various indicators, both in terms of quality produced, quantity of results, responsibility and innovation given in achieving these goals. The success of an organization is influenced by the performance *(job performance)* of human resources, for that every organization will try to improve employee performance in achieving organizational goals that have been set. Performance is a translation of the word *performance (Job Performance),* etymologically *performance* comes from the word *to perform* which means to display or carry out. Performance according to Edison, Anwar, and Komariyah (2016) is the result of a process that refers to and is measured over a certain period of time based on predetermined conditions or agreements.

Performance is the achievement of organizational goals which can be formed in the form of quantitative or qualitative outputs, creativity, flexibility, reliability or other things that can be desired by the organization. Performance emphasis can be short term or long term, also at the individual, group or organizational level. Individual performance contributes to group performance which in turn contributes to organizational performance. In highly effective organizations, management helps to create positive synergies, that is, the whole is greater than the sum of its parts. At any level there is no single criterion measure that accurately reflects performance (Sivanissa et al, 2022).

3. Research Methods

This study aims to test the hypotheses that have been described in the analytical model and framework. This research is included in explanation research in terms of the level of explanation. Explanatoryresearchismeanttoexplainthepositionofthevariablesbeingstudiedandtherelationshipbetweenon evariableandanother (Anshori and Iswati, 2017: 13). This research includes explanatory research in the associative research group which has the meaning that research is conducted to find out the relationship between two or more variables whose research results can be used to build a theory that can function to explain, predict and control a symptom.

This research approach uses a type of research approachquantitative.Quantitative research is a research method based on the philosophy of positivism, used to examine certain populations or samples, data collection uses research instruments, data analysis is quantitative or statistical, with the aim of describing and testing predetermined hypotheses (Sugiyono, 2018) . Thus this study attempts to describe the phenomena and facts presented in statistics to explain the actual situation regarding the influence of competence and work environment on employee performance with Employee Commitment as a mediating variable.

Population and Sample

Sugiyono (2018) argues that: "The population is a generalized area consisting of; objects or subjects that have certain quantities and characteristics determined by the researcher to be studied and then conclusions drawn. Based on this information, the population in this study were all ASN employees at the Department of Industry and Trade of East Java Province totaling 117 people.

The sample is part of the population that is used as the object of research and is considered to be able to represent the entire population, this is in accordance with what was stated by Sugiyono (2018), the sample is part of the number and characteristics possessed by that population. Thus it can be said that the sample is part of the population taken with certain techniques as a data source that is considered to represent the characteristics . In this study using a Likert-type scale with interval size, this scale has selected items that have a good distribution, which are filtered from the things you want to know such as good, bad, as well as conservatism, pessimism, and so on. The sample collection technique used in this study is a probability approach, namely simple random sampling. This sampling technique is a simple sampling technique because the sampling of population members is done randomly without regard to the strata in the population, this method is done if the populationmembers are consideredhomogeneous (Anshori, 2017).In this study, the total population of employees of the Office of Department of Industry and Trade of East Java Province was 117 employees. Thus, this study applies a sampling technique through the slovin formula approach. The following is the formula for the slovin approach:

$$n = \frac{N}{N.\,d2 + {}^{1}}$$

Information :
n   = titleuntil
N   = Total population (117)
d ^{2} = precision(5%)
Then, the number of respondents to be taken:

$$n = \frac{117}{117.0.05^2 + 1} = 91$$

So that the number of samples obtained was 91 respondents.

Analysis Techniques

      Partial Least Square (PLS) is a method for constructing predictable models when the factors are too many. PLS was first developed by Wold as a general method for estimating *path models* that use latent variables with multiple indicators. PLS is also a powerful *factor of indeterminacy* analysis method because it does not assume the data must be of a certain scale of measurement, the number of samples is small. Initially *Partial Least Square* came from social sciences, especially economics. This model was developed as an alternative for situations where the theoretical basis for designing the model is weak or the available indicators do not meet the reflexive measurement model. PLS besides being able to be used as confirmation of theory can also be used to build relationships where there is no theoretical foundation or for testing propositions. Besides PLS, another method that can be used is SEM *(Structure Equation Modeling)* but with a large number of samples.PLS is a more appropriate approach for prediction purposes, especially in conditions where the indicators are formative. With the latent variable in the form of a linear combination of the indicators, the prediction of the value of the latent variable can be easily obtained, so that the prediction of the latent variable it influences can also be easily carried out (Ghozali 2014). Meanwhile, SEM is not suitable for prediction purposes because the indicators are reflexive, so changes in the value of an indicator are very difficult to determine changes in the value of latent variables, so that predictions are difficult to make. Therefore in this study used the PLS method.

4. Research Results and Discussion
Research result
Outer Model (Model of Measurement and Validity of Indicators)

      The relationship model between variables and indicators in the measurement model for reflective variables, namely competence, work environment, Employee Commitment and employee performance are based on the outer loading table.

A. Convergent Validity

Table 1 Outer Loadings

	EMPLOYEE PERFORMANCE (Y)	COMMITMENT ORGANIZATION (Z)	COMPETENCE (X1)	WORK ENVIRONMENT (X2)
X1.1			0.851	
X1.2			0.578	
X1.3			0.345	
X1.4			0.199	
X1.5			0.509	
X2.1				0.671
X2.2				0.530
X2.3				0.535
X2.4				0.702
Y1	0.760			
Y2	0.812			
Y3	0.601			
Y4	0.659			
Z1		0.840		

Z2		**0.777**		
Z3		**0.649**		

Source: Primary data processed, 2022

Table 2 Outer Loadings

	PERFORMANCE EMPLOYEE (Y)	COMMITMENT ORGANIZATION (Z)	COMPETENCE (X1)	WORK ENVIRONMENT (X2)
X1.1			0.863	
X1.2			0.577	
X1.5			0.493	
X2.1				0.671
X2.2				0.530
X2.3				0.535
X2.4				0.702
Y1	0.761			
Y2	0.812			
Y3	0.601			
Y4	0.657			
Z1		0.840		
Z2		0.778		
Z3		0.649		

Source: Primary data processed, 2022

Based on table 1 and table 2 *outer loading* above, it can be seen that the indicators X1.3, X1.4 and X1.5 on the competency variable (X1) have a loading factor X1.3 = 0.345; X1.4 = 0.119; X1.5 = 0.493 so that the indicators mentioned above are not a measure of competency variables (X1) and are subsequently eliminated (not included) in further data processing. The results of data processing after elimination are as follows.

Table 3.Outer Loadings

	PERFORMANCE EMPLOYEE (Y)	COMMITMENT ORGANIZATION (Z)	COMPETENCE (X1)	WORK ENVIRONMENT (X2)
X1.1			**0.925**	
X1.2			**0.615**	
X2.1				**0.672**
X2.2				**0.525**
X2.3				**0.537**
X2.4				**0.703**
Y1	**0.772**			
Y2	**0.824**			
Y3	**0.579**			
Y4	**0.641**			
Z1		**0.840**		
Z2		**0.775**		
Z3		**0.651**		

Source: Primary data processed, 2022

Factor Loading is a correlation between indicators and variables, if it is greater than 0.5 and or *p-values* = significant, then the indicator is valid and is an indicator/measurement of the variable. Based on the *outer loading table* above, *Loading Factor* (for example for indicators on the competency variable (X1), X1.1 = 0.925 ; X1.2 = 0.615; > 0.5 then meets convergent validity . The results of the analysis The table above shows that all indicators of the research variables, namely competence, work environment, Employee Commitment and employee performance have a *loading factor* > 0.5 (Hair et al., 2013), so these indicators meet convergent validity.

B. Discriminant Validity

Table 4. Discriminant Validity

	PERFORMANCE EMPLOYEE (Y)	COMMITMENT ORGANIZATION (Z)	COMPETENCE (X1)	WORK ENVIRONMENT (X2)
EMPLOYEE PERFORMANCE (Y)	0.711			
EMPLOYEE COMMITMENT (Z)	0.486	0.759		
COMPETENCE (X1)	0.444	0.294	0.785	
WORK ENVIRONMENT (X2)	0.560	0.450	0.292	0.615

Source: Primary data processed, 2022

If the AVE root is greater than the correlation of the mentioned variable , then discriminant validity is fulfilled. For example, the performance variable (Y) with 4 indicators (Y1 to Y4) has an AVE root of 0.711 which is greater than the correlation value with other variables of 0.486; 0.444; 0.560; Likewise for other variables so that the performance variable (Y) is met with discriminant validity. Overall, it shows that all research variables, namely competence, work environment, Employee Commitment and employee performance have a higher AVE square root value than the correlation value with other variables, so discriminant validity is fulfilled.

C. **Construct Validity**

Table 5 Construct Validity

	Average Variance Extracted (AVE)
EMPLOYEE PERFORMANCE (Y)	0.505
EMPLOYEE COMMITMENT (Z)	0.577
COMPETENCE (X1)	0.616
WORK ENVIRONMENT (X2)	0.578

Source: Primary data processed, 2022

The next measurement model is the *Avarage Variance Extracted (AVE)* value, which is the value indicating the magnitude of the indicator variance contained by the latent variable. Convergent AVE values greater than 0.5 also indicate good adequacy of validity for latent variables. Reflective indicators can be seen from the *Avarage Variance Extracted* (AVE) value for each construct (variable). A good model is required if the AVE value of each construct is greater than 0.5. The test results show that the AVE value for the construct (variable) of competence, work environment, Employee Commitment and employee performance has a value greater than 0.5 so it is valid.

D. Construct Reliability

Table 6 Construct Reliability

	Cronbach's Alpha	rho_A	Composite reliability
EMPLOYEE PERFORMANCE (Y)	**0.681**	**0.709**	**0.800**
EMPLOYEE COMMITMENT (Z)	**0.642**	**0.686**	**0.802**
COMPETENCE (X1)	**0.522**	**0.565**	**0.755**
WORK ENVIRONMENT (X2)	**0.569**	**0.591**	**0.705**

Source: Primary data processed, 2022

Construct reliability is measured by the *composite reliability value,* the construct is reliable if the *composite reliability value* is above 0.70 then the indicator is called consistent in measuring its latent variables. The test results show that the construct (variable) variable of competence, work environment , Employee Commitment and employee performance has a *composite reliability value* greater than 0.7 so that it is reliable.

Inner Model (Structural Model Testing)

Testing of the structural model is carried out by looking at the *R-Square value* which is a *goodness-fit model test* . Inner model testing can be seen from the *R-square value* on the equation between latent variables. The value of R^2 explains how much the exogenous (independent/independent) variables in the model are able to explain the endogenous (dependent/dependent) variables

Table 7 R *Square*

	R Square	R Square Adjusted
EMPLOYEE PERFORMANCE (Y)	0.444	0.425
EMPLOYEE COMMITMENT (Z)	0.232	0.214

Source: Primary data processed, 2022

Value of R^2 (Employee Commitment) = 0.232. It can be interpreted that the model is able to explain the phenomenon /problem of Employee Commitment by 23.20 %. While the rest (76.80 %) is explained by other variables (besides competency and work environment variables) that have not been included in the model and *errors* . This means that Employee Commitment is influenced by competency and work environment variables , by 23.20 **%** while 76.80 % is influenced by variables other than competency and work environment variables.

The value of R^2 (Employee Performance) = 0.444 This can be interpreted that the model is able to explain phenomena / problems of employee performance by 44.40 %. While the rest (55.60 %) is explained by other variables (besides competency , work environment, and Employee Commitment) that have not been included in the model and *errors* . This means that employee performance is influenced by competency, work environment, and Employee Commitment variables by 44.40 % while 55.60 % is influenced by variables other than competency, work environment, and Employee Commitment variables . Next, we can see the path coefficients in the inner model.
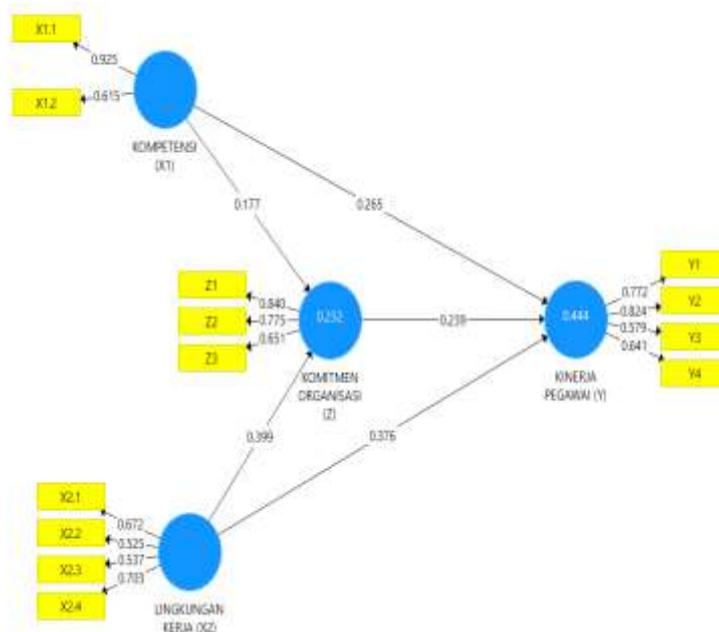
Figure 4.1 Path Coefficient

Hypothesis Testing Results
A. Hypothesis Test (Direct Effect)

Table 8 *Path Coefficients*

Path Coefficients					
	Original sample (O)	Sample Means (M)	standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values
EMPLOYEE COMMITMENT (Z) -> EMPLOYEE PERFORMANCE (Y)	0.239	0.240	0.124	1921	0.045
COMPETENCE (X1) -> EMPLOYEE PERFORMANCE (Y)	0.265	0.266	0.088	3025	0.003
COMPETENCE (X1) -> EMPLOYEE COMMITMENT (Z)	0.177	0.191	0.085	2097	0.036
WORK ENVIRONMENT (X2) -> EMPLOYEE PERFORMANCE (Y)	0.376	0.383	0.090	4.163	0.000
WORK ENVIRONMENT (X2) -> EMPLOYEE COMMITMENT (Z)	0.399	0.414	0.098	4,081	0.000

Source: Primary data processed, 2022

1. Competence (X1) has a significant positive effect on employee performance with a path coefficient of 0.265 where the *p-value* = 0.003 is smaller than the value α = 0.05 (5%) .
2. Work environment (X2) has a significant positive effect on employee performance with a path coefficient of 0.376 where the p-value = 0.000 is smaller than the *value* α = 0.05 (5 %).
3. Competence (X1) has a significant positive effect on Employee Commitment with a path coefficient of 0.177 where the p-value = 0.036 is smaller than the *value* α = 0.05 (5 %).
4. The work environment has a significant positive effect on Employee Commitment with a path coefficient of 0.399 where the p-value = 0.419 is smaller than the *value* α = 0.05 (5 %).
5. Employee Commitment (Z) has a significant positive effect on employee performance with a path coefficient of 0.239 where the p-value = 0.045 is smaller than the *value* α = 0.05 (5 %).

B. Hypothesis Test (Indirect Effect)

Table 9 *Path Coefficients*

Specific Indirect Effects					
	Original sample (O)	Sample Means (M)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values
COMPETENCE (X1) -> COMMITMENT ORGANIZATION (Z) -> EMPLOYEE PERFORMANCE (Y)	0.042	0.020	0.030	2071	0.041
WORK ENVIRONMENT (X2) -> EMPLOYEE COMMITMENT (Z) -> EMPLOYEE PERFORMANCE (Y)	0.095	0.098	0.040	2,368	0.020

Source: Primary data processed, 2022

6. Competence (X1) has a significant positive effect on employee performance through Employee Commitment with a path coefficient of 0.042 where the *p-value* = 0.041 is smaller than the value α = 0.05 (5%) .
7. Work environment (X2) has a significant positive effect on employee performance through Employee Commitment with a path coefficient of 0.095 where the *p-value* = 0.020 is smaller than the value α = 0.05 (5%).

Discussion

The Effect of Competence on Employee Performance

Competence is an ability to carry out or carry out a job or task that is based on skills and knowledge and is supported by the work attitude required by the job. While employee performance is the entire series of employee activities that produce work results achieved by employees in the form of quality and quantity in accordance with the standards set by the organization to achieve organizational goals. Based on the results of research on the hypothesis test of the influence of competence on employee performance, it shows that competence contributes to employee performance. This indicates that the higher the competency possessed by the employee, the employee has knowledge. good innovation and creativity to produce good performance. Work competence affects the level of employee performance at the Office of Department of Industry and Trade of East Java Province. In carrying out their duties, employees have good abilities, especially the level of understanding of employees towards their work is very good, so that the implementation of tasks can run more effectively and efficiently.

This research is supported by the results of research conducted by Krisnawati and Bagia (2021); Hidayat, et al (2020), and Aulia (2020) which state that work competence has a positive and significant influence on employee performance. on the competency variable is an indicator of knowledge (knowledge). This indicates that employees have high knowledge to support better employee performance so that organizational goals can be achieved.

Employees at the Department of Industry and Trade of East Java Province who have work competence tend to have good abilities in carrying out work and have the knowledge to be able to complete work based on work targets given by agencies. This can provide enthusiasm for work within the employee to keep moving forward in carrying out work that can improve performance within the organization. Whereas if employees who do not have high competence tend not to have the ability to work. Where employees do not fully have the skills to complete the work, thus providing poor performance within the agency. it is difficult to achieve the specified work targets so that the results achieved will be less than optimal. The competence of an individual is something inherent in him that can be used to predict his level of performance.

The Influence of the Work Environment on Employee Performance

The work environment is everything that exists around employees who can influence in carrying out the tasks that have been charged by the organization. The work environment has a direct influence on employees, where the work environment can improve employee performance. Based on the results of research on the hypothesis test of the influence of the work environment on employee performance, it shows that the work environment contributes to employee performance. This indicates that the better the work environment in the agency, the performance of employees in the agency is also increasing. A good

work environment or work situation provides comfort to employees and produces maximum employee performance so that organizational goals can be achieved.

The results of this study are in line with research conducted by Hasibuan and Bahri (2018); Rahmawati, et al (2021), which also states that the work environment has a positive and significant effect on employee performance. In this study, the variable that contributed the most to the work environment was the relationship indicator between employees. This shows that employees have received fair and objective treatment at their place of work. With a fair and objective work environment, employees will feel comfortable at work so they can support better employee performance.

The Office of Department of Industry and Trade of East Java Province has shown that agencies have a good, comfortable work environment, the relationship between superiors and subordinates is fair and objective without any sense of inequality in work so that it will provide comfort for its employees to improve their performance. Employees are very dependent on how things are. in the institution where he works. If the agency or organization fails to create a conducive environment, this will greatly disrupt the concentration of the work of its employees, resulting in a decrease in the level of performance of the employees themselves. A good work environment will improve the quality of work of employees so that organizational goals can be achieved properly.

The Effect of Competence on Employee Performance Through Employee Commitment

Based on the results of direct influence research, it shows that competence contributes to Employee Commitment and Employee Commitment contributes to employee performance. This indicates that the better the competence possessed by employees, the Employee Commitment of employees will also increase and also indicates that the more Employee Commitment to employees increases, the more optimal employee performance will be to achieve organizational goals. Employees with good and appropriate competence will be able to understand what must be done and what their function is in the job. A good understanding of the functions and adequate competence of an employee will foster a high commitment to the organization. Quality HR competencies will also foster a sense of belonging to the organization which has an impact on increasing commitment to the organization.

This research is supported by the results of research conducted by Yuliantini, et al (2017) which also stated that HR competence has a positive effect on the commitment of the goods management to the organization and also Employee Commitment has a positive effect on the performance of the goods management of the Tabanan Regency Government. Meanwhile, based on the results of the hypothesis test, the indirect effect on the influence of competence on employee performance through Employee Commitment results that Employee Commitment contributes as a variable that mediates the relationship between competence and employee performance, meaning that the presence of good employee competence in accordance with their expertise will contribute to employee Employee Commitment. so as to produce maximum employee performance. Employees with good and appropriate competence will be able to understand what must be done and what their function is in the job. A good understanding of the function and adequate competence of an employee will foster a high commitment to the organization in this case will lead to good performance as well. Employees with high intellectual competence will understand well what their duties and functions are.

This research is in line with research conducted by Putra, et al (2020) which states that competence indirectly through Employee Commitment has a significant effect on performance at BUMDes in Kuantan Singingi Regency. Employee performance will increase due to good competence with Employee Commitment. In this study, the indicators of affective commitment, which contributed the most, were emotional feelings for the organization and belief in its values. This indicates that the respondent or employee is happy to spend the rest of his career at his agency and is committed to continuing to work at his agency until his retirement. Employee Commitment can motivate an employee to work better and stay in the organization so as to form better employee performance and provide positive feedback to the organization.

Employees at the Department of Industry and Trade of East Java Province have good competence accompanied by a commitment to the organization and try to make every effort so that an organization can achieve its goals. The achievement of organizational goals will have an impact on better performance. With the competence possessed by employees who are strengthened by their commitment to the organization, it will improve employee performance so that the vision and mission of the organization can be achieved properly.

The Influence of the Work Environment on Employee Performance Through Employee Commitment

Based on the results of direct influence research, it shows that the work environment contributes to Employee Commitment and Employee Commitment contributes to employee performance. This indicates that the better the work environment in the agency, the Employee Commitment of employees will also increase and also indicates that the more Employee Commitment to employees increases, the more optimal employee performance will be to achieve organizational goals. A work environment that is not in accordance with the standards or is not comfortable, this will trigger the emergence of low Employee Commitment, and vice versa, a work environment that is in accordance with the standards or is comfortable will increase Employee Commitment. High Employee Commitment will affect the level of better employee performance.

The results of this study are in line with research conducted by Azikin (2019) which states that the work environment has a positive and significant effect on Employee Commitment at the Office of Education and Culture of Bantaeng Regency. This research is also in line with research conducted by Cahyani, et al (2020) which states that Employee Commitment has a significant positive effect on employee performance.

Meanwhile, based on the results of the hypothesis test, the indirect effect of the work environment on employee performance through Employee Commitment results that Employee Commitment contributes to mediating the relationship between work environment and employee performance , meaning that with a better and more comfortable work environment, employee Employee Commitment increases so that produce maximum employee performance. With the support of a good and conducive work environment, it can lead to strong commitment in employees so that employee performance increases. Maximum employee performance can be achieved with both the vision and mission of the organization

The results of this study support research conducted by Azikin, et al (2019) which states that the work environment has a positive and significant effect on performance through Employee Commitment.

In this study, the indicator of affective commitment contributed the most, because employees have an emotional sense of their organization and belief in its values. This indicates that the respondent or employee is happy to spend the rest of his career at his agency and is committed to continuing to work at his agency until his retirement. Employee Commitment can motivate an employee to work better and stay in the organization so as to form better employee performance and provide positive feedback to the organization.

The work environment at the Department of Industry and Trade of East Java Province has shown good working conditions, and also shows that the relationship between superiors and subordinates in the workplace has shown a fair and objective attitude without a sense of inequality in the agency. A better work environment will increase employee Employee Commitment so that employee performance will be maximized. The work environment is one of the key aspects that can be utilized to encourage the creation of employee Employee Commitment, an adequate work environment will direct good relationships and be able to develop from time to time into a relationship of mutual trust, loyalty, and involvement between employees and the organization so that organizational goals can be achieved by good.

5. Conclusion

Based on the research and results of the analysis that has been carried out regarding Competency and Work Environment Analysis on Employee Performance with Employee Commitment as an Intervening Variable (Study at the Office of Department of Industry and Trade of East Java Province), the following conclusions are obtained:

1. High employee competence contributes to improving employee performance. Employee competence is getting better, it will result in more optimal performance.
2. A good work environment contributes to better employee performance. The better the work environment in the agency, the performance of employees in the agency is also increasing
3. Employee Commitment is influential as a variable that mediates the relationship between competency and employee performance. Higher employee competence is able to foster high commitment to the organization so as to improve employee performance better.
4. Employee Commitment is influential as a variable that mediates the relationship between work environment and employee performance. An increasingly good work environment is able to increase employee Employee Commitment so as to improve employee performance.

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