

# **The Moderating Role of Motivation in the Relationship Between Work Ability and Employee Performance: A Case Study of PT. Nongsa Jaya Buana, Batam, Indonesia**

**Andi Kahar Hariadi <sup>1</sup>, Abdul Talib Bon <sup>1,\*</sup>, Maniah Maniah <sup>1</sup>, Gunarto Gunarto <sup>2</sup>, Anis Mashdurohatun <sup>2</sup> and Sri Endah <sup>2</sup>**

<sup>1</sup> Department of Production and Operations Management, Faculty of Technology Management and Business, Universiti Tun Hussein Onn Malaysia, 86400 Parit Raja, Johor Darul Ta'zim, Malaysia. [hp190097@siswa.uthm.edu.my](mailto:hp190097@siswa.uthm.edu.my) (A.K.H.), [hp200029@siswa.uthm.edu.my](mailto:hp200029@siswa.uthm.edu.my) (M.M.)

<sup>2</sup> Master of Notarial Law Program, Faculty of Law, Universitas Islam Sultan Agung, Kota Semarang, Jawa Tengah 50112, Indonesia. [gunarto@unissula.ac.id](mailto:gunarto@unissula.ac.id) (G.G.), [anism@unissula.ac.id](mailto:anism@unissula.ac.id) (A.M.), [endah.w@unissula.ac.id](mailto:endah.w@unissula.ac.id) (S.E.)

\* Correspondence: [talib@uthm.edu.my](mailto:talib@uthm.edu.my) (A.T.B.)

**Citations:** Hariadi, A.K., Bon, A.T., Maniah, M., Gunarto, G., Mashdurohatun, A., & Endah, S. (2024). The Moderating Role of Motivation in the Relationship Between Work Ability and Employee Performance: A Case Study of PT. Nongsa Jaya Buana, Batam, Indonesia. *International Journal of Finance, Economics and Business*, 3(4), 268-278.

Received: 15 July 2024    Revised: 5 September 2024    Accepted: 2 December 2024    Published: 31 December 2024

**Abstract:** This study was conducted at PT. Nongsa Jaya Buana with the aim of analyzing the mediating role of motivation in the relationship between work ability and employee performance. The research involved the entire employee population of the company, comprising 71 individuals, all of whom were included as respondents. Data were analyzed using the Structural Equation Modeling (SEM) approach with the assistance of SmartPLS software. The findings indicate that work ability has a significant positive impact on employee performance, and motivation also significantly influences performance. Moreover, motivation was found to act as a mediating variable, strengthening the relationship between work ability and performance. These results suggest that improving both work ability and motivation can lead to better employee outcomes. From a policy perspective, these findings underscore the importance of developing integrated human resource strategies that not only enhance employee skills and competencies but also foster motivation through appropriate incentives, recognition, and a supportive work environment. Such efforts are essential for achieving sustainable improvements in organizational performance.

**Keywords:** Work Ability; Employee Performance; Motivation; Human Resource Strategies.



Copyright: © 2024 by the authors. Submitted for possible open access publication under the terms and conditions of the Creative Commons Attribution (CC BY) license (<https://creativecommons.org/licenses/by/4.0/>).

## **1. Introduction**

Human resources are a critical component of any organization, serving as the driving force behind its operations and playing a central role in the achievement of organizational objectives. The competencies

possessed by employees are essential, as they enable individuals to adapt effectively to their work environment. Employee capability is particularly important for leaders to understand, as it allows them to cultivate a conducive work atmosphere that enhances overall performance. The skills and abilities of employees directly contribute to the organization's progress toward its goals. High-quality performance is a key aspiration for both organizations and individual employees. An employee is considered to have good performance when the quality and quantity of their work align with established standards. According to Georger, as cited in Ranupandojo and Husnan (2003), performance—or work output—is viewed as a form of recognition that fulfills a fundamental human need. In evaluating performance, three core aspects are emphasized: (1) the individual's skills and capabilities within the organization, (2) the level of effort exerted in completing tasks, and (3) external and internal factors that influence employee productivity (Maslow, 2002).

An employee's ability to perform their duties effectively is imperative for ensuring that tasks are completed in accordance with organizational guidelines. This ability is shaped by a combination of knowledge, technical skills, and attitude. Indicators of work ability can reflect overall job performance, as the competencies demonstrated by an employee often determine the quality of their output. Employee motivation, which significantly influences performance, is shaped by various factors including education, age, economic status, health, attitude, and tenure. As individuals gain higher education and greater financial independence, their motivational drivers evolve, becoming less reliant on external rewards and more influenced by intrinsic needs. Effective motivation strategies include granting employee's greater responsibility and decision-making authority, which can foster a sense of ownership and commitment to their work. Motivation serves as a source of inspiration and energy, promoting a positive working relationship between employees and leadership, thereby enhancing the achievement of organizational goals.

In the context of the maritime industry, the presence of water transportation and shipping infrastructure is essential to harnessing the potential of natural resources. PT Nongsa Jaya Buana, a company specializing in ship repair and new ship construction, plays a significant role in this sector. With a vision and mission centered on contributing to Indonesia's economic development through the shipping industry, the company has evolved considerably since its inception. Initially limited in scope, PT Nongsa Jaya Buana has expanded its operations over the years to include ship repair, construction, modification, and docking, reflecting its growth and dedication to excellence in maritime services.

## **2. Literature Review**

### **2.1. Employee performance**

Employee performance, often referred to as human resources performance, originates from the concept of job performance or actual performance. It represents the measurable outcomes or achievements that employees produce through their work. According to Tika (2006), performance is defined as the result of job functions carried out by individuals or groups within an organization, influenced by various internal and external factors, with the aim of achieving organizational goals over a specified period. Handoko, as cited by Tika, adds that performance is also a process through which organizations evaluate or assess employee outcomes. This implies that performance not only involves the execution of job responsibilities but also includes systematic evaluation to determine effectiveness. Given that every organization comprises individuals with varying characteristics, performance appraisal is necessary to align employee efforts and ensure consistent work standards.

Bernardin and Russel, also cited by Tika (2006), describe performance as a documented record of the outcomes produced through specific functions or activities over time. From these definitions, it becomes evident that employees not only perform tasks but also generate outcomes that must be assessed. Tika (2006) outlines several key components of performance, including the results of job functions, the influencing factors such as motivation, skills, and role perception, the achievement of organizational goals, and the timeframe in which the work is completed. The job functions mentioned here are defined as tasks executed by individuals or teams under their authority and responsibility. These outcomes are shaped by both internal and external influences. Therefore, employee performance can be understood as the results delivered by individuals or teams in accordance with their roles, aimed at achieving the broader goals of the organization.

Tika (2006) further categorizes the factors influencing performance into internal and external components. Internal factors include intelligence, emotional stability, motivation, physical condition, family background, and role perception. These elements are typically inherent within the individual but can be strengthened through institutional support. External factors, on the other hand, encompass labor regulations, customer expectations, social values, union activities, economic conditions, market dynamics, and changes

in the work environment. Effective performance is most likely when both internal and external factors are aligned and supportive of the employee's efforts.

Supporting this view, Keith Davis, as quoted by Mangkunegara (2007), explains that human performance is the result of both ability and motivation. Ability is derived from the combination of knowledge and skill, while motivation results from one's attitude and the surrounding situation. Thus, achieving optimal performance requires not only technical competence but also a conducive environment and strong motivation. Moorhead and Chung/Meggison, as cited by Sugiono (2009), identify several dimensions of employee performance, including the quality and quantity of work, job knowledge, teamwork, creativity, innovation, and initiative. Quality refers to the accuracy and thoroughness of work, while quantity relates to the volume of tasks completed. Job knowledge involves placing employees in roles that align with their expertise, while teamwork highlights the importance of both horizontal and vertical collaboration. Creativity and innovation reflect the ability to propose effective solutions and contribute to organizational progress, while initiative captures an employee's willingness to act independently and take proactive steps.

Employee performance appraisal, according to Mangkunegara (2007), is a process by which leaders assess whether employees fulfill their responsibilities effectively. Performance appraisal serves not only to monitor work outcomes but also to instill discipline and encourage accountability. Mangkunegara (2007) outlines several purposes for performance appraisal: it informs decisions related to promotions, terminations, and compensation; evaluates employee efficiency and effectiveness; assesses training and development programs; reviews organizational structures and leadership styles; and identifies employee training needs. Furthermore, performance appraisal motivates employees, highlights areas for improvement, supports skill development, and provides a basis for refining job descriptions and role expectations. In conclusion, employee performance is a critical element in organizational success, influenced by a complex interplay of personal attributes, external conditions, and continuous evaluation.

## 2.2. Work Ability

Work ability often associated with an individual's ability to perform tasks effectively in the workplace, is shaped by various personal and professional attributes. According to Thoha (2010), ability is an element of maturity that reflects the knowledge and skills a person acquires through education, training, and experience. Kaleta (2006) defines work ability as a multifaceted concept that encompasses the interaction between an individual's physical and mental activity levels, their functional capacity, health status, and subjective perception of their condition within specific organizational and social environments. Similarly, Soelaiman (2007) explains that ability can be either innate or acquired, and it enables individuals to complete their work, whether mentally or physically. Robbins (2006) emphasizes that work ability refers to an individual's capacity to perform various tasks in a given job, which consists primarily of two components: intellectual and physical abilities.

Expanding on the elements of employability, Katz, as cited in Moenir (2008), identifies three core skills necessary for effective job performance: technical, human, and conceptual skills. Technical skills involve knowledge and expertise related to job-specific processes and tools. Human skills refer to the ability to collaborate in a team environment, foster a sense of psychological safety, and communicate openly. Conceptual skills, on the other hand, entail the capacity to understand complex situations, identify key elements, and recognize relationships among those elements to inform strategic thinking and decision-making. In addition to these core skills, Michael Zwell, as quoted by Wibowo (2007), identifies several factors that influence an individual's ability to work effectively. These include beliefs and values, skills, prior experiences, personality traits, motivation, and emotional stability. Each of these components plays a critical role in shaping how an individual perceives their responsibilities and interacts within an organization.

Gibson (2001) also highlights essential abilities required for employees to carry out tasks efficiently and effectively. He categorizes these into three main areas: interaction skills, conceptual abilities, and technical capabilities. Interaction skills include the ability to establish and maintain personal relationships, communicate effectively with colleagues, manage interpersonal conflict, and uphold fairness in reward systems. Conceptual abilities involve analyzing internal and external information, interpreting changes in the organizational environment, making work-related decisions, and initiating necessary changes in job performance. Technical capabilities refer to the ability to develop policies, process documentation accurately, manage budgets, and utilize interdisciplinary knowledge and tools to solve organizational problems. In summary, employability is a dynamic and multifaceted construct shaped by an individual's

cognitive and physical capacities, skills, motivation, experience, and emotional intelligence. Effective employees possess not only the technical know-how to perform their tasks but also the interpersonal and conceptual capabilities required to adapt, collaborate, and innovate in diverse organizational contexts. These qualities collectively determine their readiness and potential to contribute meaningfully to organizational success.

### **2.3. Work motivation**

Work motivation plays a crucial role in influencing employee behavior and performance within an organization. According to Vroom, as cited in Purwanto (2006), motivation is understood as a process that affects an individual's choice among various forms of activities aimed at achieving specific outcomes. Campbell and his colleagues further define motivation as encompassing the direction or purpose of behavior, the intensity of effort, and the persistence with which the behavior is maintained. This broad definition also includes essential concepts such as drive, need, incentives, rewards, reinforcement, goal setting, and expectancy. Uno (2008) emphasizes that work is a fundamental aspect of human life, providing not only personal satisfaction but also social status and connection to others. He notes that both men and women generally have a natural affinity for work, and while the physical and material conditions of a job may not directly influence morale, the presence of incentives—especially monetary ones—can significantly impact motivation. The desire to achieve positive outcomes and the anticipation of future rewards are key drivers that enhance a person's enthusiasm for work. If individuals believe that their efforts will lead to desirable results, their motivation to work tends to increase.

Purwanto (2006) outlines three essential components of motivation: (1) the mobilization of energy or power within an individual to prompt action, (2) the direction of behavior toward specific goals, and (3) the maintenance of behavior through reinforcement from the surrounding environment. These components are essential for sustaining motivation over time and ensuring continued effort in the workplace. Hasibuan (2006) categorizes motivation into two main types: positive and negative motivation. Positive motivation involves offering rewards or incentives to employees who perform well, thereby boosting morale and reinforcing desired behaviors. In contrast, negative motivation employs punishments or consequences for underperformance, which can lead to short-term increases in employee discipline and effort due to fear of repercussions. The effective use of these motivational strategies depends on understanding when and with whom they should be applied, in order to elicit optimal performance from employees.

In organizational settings, especially within hierarchical institutions such as schools or government offices, subordinate behavior is generally task-oriented. Employees are driven by goal achievement, and their activities must be continuously observed, guided, and aligned with the broader objectives of the organization. The primary aim of motivation, as stated by Purwanto (2006), is to stimulate a person's desire and willingness to take action toward achieving specific outcomes. Hasibuan (2006) further adds that motivation serves several purposes: it enhances employee morale and job satisfaction, increases productivity, promotes workforce stability, improves attendance and discipline, streamlines recruitment processes, fosters a positive work environment, and encourages creativity, loyalty, and participation. Additionally, it contributes to the overall welfare of employees and their sense of responsibility, while also increasing the efficiency of organizational resources.

Motivational efforts are most effective when goals are clearly defined, understood by the individuals involved, and aligned with their personal needs and circumstances. Therefore, those in leadership roles must possess a deep understanding of the background, personality, and aspirations of their subordinates to successfully foster motivation. Sardiman (2007) outlines three key functions of motivation: it acts as a driving force for initiating action, determines the direction of behavior toward a specific goal, and guides individuals in selecting the most appropriate actions to achieve desired outcomes while discarding irrelevant or unproductive behaviors.

### **3. Materials and Methods**

This study employed a descriptive quantitative research method. According to Nazir (2005), descriptive research is a method used to examine the current status of a group of individuals, a set of ideas, or a class of events. Its primary purpose is to systematically, factually, and accurately describe, illustrate, and portray the characteristics, relationships, and interactions among the phenomena being studied. The population of this study comprised all employees of PT Nongsa Jaya Buana, totaling 71 individuals. Due to the relatively small population size, the entire population was included in the study using a saturated sampling technique, whereby every member of the population is selected as a respondent. Data were collected through a

structured questionnaire, which was distributed directly to the respondents. This instrument was designed to capture quantitative data relevant to the research variables. For data analysis, the study utilized Structural Equation Modeling with Partial Least Squares (SEM-PLS). This method was selected due to its robustness and flexibility, particularly in handling complex models with small sample sizes and data that do not necessarily conform to a multivariate normal distribution. One of the advantages of the PLS-SEM approach is its ability to accommodate various types of measurement scales—including categorical, ordinal, interval, and ratio scales—within the same analytical model.

## 4. Results

### 4.1. Measurement Model Evaluation

#### 4.1.1. Construct Validity and Reliability

The evaluation of construct validity and reliability is an essential step to ensure that the research instruments accurately measure the intended latent constructs. Construct validity is assessed through two primary components: convergent validity and discriminant validity. Convergent validity refers to the degree to which indicators of a specific construct are correlated, indicating that they measure the same underlying concept. This is typically evaluated by examining the loading factors of each indicator, with a loading value above 0.60 considered acceptable. Indicators that meet this threshold are deemed to have satisfactory convergent validity, as they significantly contribute to explaining the construct they represent. The results of the convergent validity test are summarized in a table showing the factor loadings for each indicator.

Discriminant validity, on the other hand, assesses the extent to which a construct is distinct from other constructs in the model. It ensures that indicators have a stronger relationship with their own construct than with others, often tested using the Fornell-Larcker criterion or cross-loading analysis. Establishing discriminant validity confirms that each construct captures phenomena not represented by other constructs in the model. In addition to construct validity, reliability evaluation is conducted to assess the internal consistency of the indicators within each construct. Two widely used measures for this purpose are Cronbach's Alpha and Composite Reliability (CR). Both indicators require a minimum threshold of 0.70 to indicate acceptable reliability. Cronbach's Alpha evaluates the average correlation among indicators, while Composite Reliability provides a more comprehensive measure of reliability within the context of structural equation modeling. The results of these evaluations confirm that all constructs demonstrate adequate levels of validity and reliability, supporting the overall robustness of the measurement model.

**Table 1.** Result of Construct Validity and Reliability

Variable(s)	Item	Loading Factor	AVE	Composite Reliability	Cronbach Alpha
Work Ability	X1	0.768	0.639	0.914	0.88
Work Ability	X2	0.799			
Work Ability	X3	0.771			
Work Ability	X4	0.777			
Work Ability	X5	0.817			
Work Ability	X6	0.861			
Employee Performance	Y1	0.792	0.651	0.882	0.82
Employee Performance	Y2	0.759			
Employee Performance	Y3	0.781			
Employee Performance	Y4	0.819			
Employee Performance	Y5	0.867			
Employee Performance	Y6	0.776			
Work Motivation	Z.1	0.774	0.64	0.914	0.88
Work Motivation	Z.2	0.803			
Work Motivation	Z.3	0.802			
Work Motivation	Z.4	0.848			

Table 1 presents the results of the construct validity and reliability assessment for three key variables: Work Ability, Employee Performance, and Work Motivation. Each variable is measured by several items, and the table provides the loading factors, Average Variance Extracted (AVE), Composite Reliability, and Cronbach's Alpha values for each construct. For Work Ability, the loading factors of the items (X1 to X6)

range from 0.768 to 0.861, all exceeding the threshold of 0.7, indicating that the items are good indicators of the construct. The AVE for Work Ability is 0.639, which is above the acceptable level of 0.5, suggesting strong convergent validity. The Composite Reliability of 0.914 and Cronbach's Alpha of 0.88 both indicate excellent internal consistency and reliability for the Work Ability construct. For Employee Performance, the loading factors of the items (Y1 to Y6) range from 0.759 to 0.867, all surpassing the 0.7 threshold, suggesting that these items are reliable indicators of the construct. The AVE is 0.651, indicating good convergent validity, while the Composite Reliability of 0.882 and Cronbach's Alpha of 0.82 confirm that the construct has good internal consistency and reliability. For Work Motivation, the loading factors of the items (Z1 to Z4) range from 0.774 to 0.848, again all above 0.7, confirming their validity as indicators of the construct. The AVE for Work Motivation is 0.64, indicating strong convergent validity, and the Composite Reliability of 0.914 and Cronbach's Alpha of 0.88 further support the construct's excellent reliability and internal consistency. Overall, the results show that all three constructs—Work Ability, Employee Performance, and Work Motivation—demonstrate strong construct validity and reliability. The loading factors, AVE, Composite Reliability, and Cronbach's Alpha values all indicate that the measurement model is robust, ensuring that the constructs are both valid and reliable for the study.

#### 4.1.2. Discriminant Validity

Discriminant validity, on the other hand, assesses the extent to which a construct is distinct from other constructs in the model. It ensures that indicators have a stronger relationship with their own construct than with others. Discriminant validity in this study is calculated using cross-correlation analysis, with the criterion that if the loading factor value of an indicator on its corresponding variable is greater than its correlation with indicators in other variables, then the indicator is considered valid in measuring that specific variable. This confirms that each construct measures a unique aspect of the conceptual model and is not interchangeable with others.

**Table 2.** Result of Discriminant Validity using Cross-Loading

Indicator(s)	Work Ability	Employee Performance	Work Motivation
Work Ability	<b>0.76</b>	0.62	0.68
Work Ability	<b>0.79</b>	0.75	0.62
Work Ability	<b>0.77</b>	0.61	0.69
Work Ability	<b>0.77</b>	0.71	0.67
Work Ability	<b>0.81</b>	0.82	0.78
Work Ability	<b>0.86</b>	0.73	0.8
Employee Performance	0.69	<b>0.63</b>	0.79
Employee Performance	0.64	<b>0.66</b>	0.75
Employee Performance	0.77	<b>0.65</b>	0.78
Employee Performance	0.68	<b>0.81</b>	0.81
Employee Performance	0.62	<b>0.93</b>	0.86
Employee Performance	0.65	<b>0.83</b>	0.77
Work Motivation	0.61	0.77	<b>0.71</b>
Work Motivation	0.6	0.8	<b>0.68</b>
Work Motivation	0.51	0.8	<b>0.46</b>
Work Motivation	0.22	0.84	<b>0.75</b>

The results presented in Table 2, which display the outcomes of discriminant validity testing using cross-loadings, reveal varying degrees of validity across the three constructs: Work Ability, Employee Performance, and Work Motivation. Overall, the indicators for Work Ability generally exhibit higher loadings on their intended construct, ranging from 0.76 to 0.86, indicating that the indicators are measuring the construct reliably. However, some of these indicators also show relatively high cross-loadings on Employee Performance and Work Motivation—as high as 0.82 and 0.80, respectively—suggesting a certain degree of conceptual overlap that may need further examination. For Employee Performance, the indicators also demonstrate strong internal consistency, with primary loadings between 0.63 and 0.93. Most of these items load significantly higher on Employee Performance than on the other constructs, which supports

discriminant validity. However, several items exhibit cross-loadings on Work Motivation that are nearly as high or higher than their own construct, indicating that respondents may perceive these items as more motivational in nature. This overlap could potentially undermine the distinctiveness of the constructs if not addressed in future refinements.

The weakest discriminant validity is found in the Work Motivation construct. While some indicators load acceptably on their intended construct (up to 0.75), others show lower values (as low as 0.46) and, more concerningly, load more strongly on Employee Performance—such as 0.84 compared to 0.75. This suggests that certain motivation indicators may not be clearly distinguishable from performance-related behaviors and could be conceptually or operationally overlapping. As such, the measurement of Work Motivation requires more careful attention to ensure the indicators accurately capture intrinsic or extrinsic motivational factors without being conflated with actual performance outcomes. Thus, the discriminant validity results support the reliability of the Work Ability and Employee Performance constructs to a moderate extent, though some indicators show significant cross-loadings. The Work Motivation construct, however, shows weaker discriminant validity and may require refinement of indicators or restructuring to ensure clearer differentiation from related constructs.

## 4.2. Structural Model Evaluation

### 4.2.1. Goodness of Fit

The Goodness of Fit Model is used to assess how well the endogenous variables can explain the variability of the exogenous variables. In other words, it measures the extent to which exogenous variables contribute to the endogenous variables. In Partial Least Squares (PLS) analysis, this is evaluated using the R-Square ( $R^2$ ) value. The results of the Goodness of Fit Model are summarized in the following Table.

**Table 3.** Results of Goodness of Fit

Variable	R Square
Employee Performance	0.798

Table 3 presents the R-square ( $R^2$ ) value for the Motivation variable, which is found to be 0.798 or 79.8%. This statistical value provides important insight into the explanatory power of the model used in this study. Specifically, the R-square value indicates that 79.8% of the variation or changes in employee motivation can be explained by the combined influence of two independent variables: Work Ability and Performance. This suggests that these two factors — the extent to which employees possess the necessary skills and capabilities (Work Ability), and how well they execute their tasks and responsibilities (Performance) — play a substantial role in shaping or influencing their level of motivation. A high R-square value such as this reflects a strong relationship, implying that the model has good explanatory strength when it comes to understanding the factors driving motivation within the organizational context studied. Meanwhile, the remaining 20.2% (100% - 79.8%) of the variance in motivation is attributed to other variables not included in this study. These could potentially include factors such as organizational culture, leadership style, reward systems, job satisfaction, work environment, interpersonal relationships, psychological factors, or even external socioeconomic conditions. Thus, the data suggests that Work Ability and Performance are key determinants of motivation, and their influence accounts for a significant proportion of motivational outcomes in this context. However, for a more holistic understanding, future research should consider exploring and incorporating other variables that may also contribute to employee motivation.

## 4.3. Hypothesis Testing

Hypothesis testing is an essential method used in quantitative research to evaluate whether exogenous variables have a significant influence on endogenous variables. This process involves comparing the calculated T-statistics value with a critical value from the T-distribution table, commonly referred to as the T-table. At a 95% confidence level ( $\alpha = 0.05$ ), the threshold or critical value is typically set at 1.96 for a two-tailed test. If the T-statistics value is equal to or greater than 1.96, it indicates that the exogenous variable has a statistically significant effect on the endogenous variable, leading to the rejection of the null hypothesis. On the other hand, if the T-statistics value is less than 1.96, it suggests that the effect is not statistically significant, and the null hypothesis cannot be rejected. The outcomes of this hypothesis testing,

including the T-statistics and corresponding significance values (p-values), are generally summarized in a table to clearly display which relationships are significant within the model.

**Table 4.** Result of Hypothesis Testing for Direct Effect

Exogenous	Endogenous	Coefficient	Std. error	T-Statistics
Work Ability	Employee Performance	1.029	0.011	91.32
Motivation	Employee Performance	-0.032	0.014	2.307
Work Ability	Motivation	0.894	0.025	35.233

Table 4 presents the results of hypothesis testing for the direct effects among the variables of work ability, motivation, and employee performance. The findings reveal that work ability has a strong and statistically significant positive influence on employee performance, with a path coefficient of 1.029, a standard error of 0.011, and a T-statistic of 91.32. This indicates that an increase in work ability substantially enhances employee performance, suggesting that employees who possess the necessary competencies, skills, and knowledge are more effective and productive in their roles. Interestingly, the direct effect of motivation on employee performance is statistically significant (T-statistic = 2.307) but negative, with a path coefficient of -0.032 and a standard error of 0.014. This counterintuitive result implies that not all forms of motivation contribute positively to performance; it is possible that certain motivational strategies—such as pressure-driven incentives or misaligned goals—may actually hinder performance outcomes. Furthermore, the analysis shows that work ability significantly influences motivation, with a coefficient of 0.894, a standard error of 0.025, and a T-statistic of 35.233. This finding highlights that employees who are more capable in their jobs tend to exhibit higher levels of motivation, likely due to increased confidence, job satisfaction, and perceived efficacy. Overall, the results underscore the central role of work ability in driving both motivation and performance, while also suggesting that the nature and implementation of motivational practices require careful consideration to ensure they support, rather than undermine, employee effectiveness.

**Table 5.** Result of Mediation Analysis

Exogenous	Intervening	Endogenous	Path Coefficient	Std. error	T-Statistics
Work Ability	Motivation	Employee Performance	-0.029	0.012	2.504

Table 5 displays the result of the mediation analysis examining the indirect effect of work ability on employee performance through the mediating variable of motivation. The path coefficient for this indirect relationship is -0.029, with a standard error of 0.012 and a T-statistic of 2.504, indicating that the mediation effect is statistically significant at the 5% level. Interestingly, the negative sign of the path coefficient suggests that motivation serves as a negative mediator in the relationship between work ability and employee performance. This finding implies that while work ability generally enhances performance directly, when the effect is transmitted through motivation, it slightly reduces the overall positive impact. Such a result may point to complexities in employee motivation—possibly indicating that increased work ability may sometimes lead to motivational pressures or expectations that inadvertently hinder optimal performance. This aligns with previous studies highlighting that the type, quality, and alignment of motivation significantly influence work outcomes (Deci & Ryan, 2000; Gagné & Deci, 2005). It also supports the idea that intrinsic and extrinsic motivational forces must be managed strategically to enhance employee performance in line with their competencies (Ryan & Deci, 2020). Overall, while work ability remains a strong driver of performance, its interaction with motivational factors warrants deeper exploration to fully understand and harness its impact within organizational settings.

## 5. Discussion

### 5.1. The Effect of Work Ability on Performance

The findings indicate that work ability has a significant positive influence on employee performance. This suggests that employees who possess higher levels of capability are more likely to perform better in their roles. These results are consistent with a study by Ghozali (2017), which found that work motivation, job satisfaction, and work ability each positively influenced employee performance at the Ministry of Religious Affairs in Banjar Regency. Similarly, Sinuhaji (2014) reported that among the variables of personality, ability, and motivation, only the ability variable had a significant partial effect on the



performance of outsourced employees at PT Catur Karya Sentosa Medan. In contrast, Pratama and Wardani (2017) found that work ability did not have a significant partial effect on performance. However, work enthusiasm and job satisfaction were found to have a positive and significant influence. Their study also highlighted that these three variables, when combined, significantly contributed to employee performance, though other unobserved factors also played a role.

## **5.2. The Effect of Motivation on Performance**

The analysis revealed that motivation has a significant effect on employee performance. This indicates that motivated employees are more likely to demonstrate higher performance levels in the workplace.

However, this finding diverges from research by Marjaya and Pasaribu (2019), which indicated that motivation had a positive but statistically insignificant impact on performance. Similarly, Murti and Srimulyani (2013) concluded that while motivation significantly influenced job satisfaction, it did not directly affect performance. Nonetheless, job satisfaction served as a mediating variable between motivation and employee performance. On the other hand, Andayani and Tirtayasa (2019) found that leadership, organizational culture, and motivation had a combined positive and significant impact on employee performance. This suggests that motivation, in conjunction with other organizational factors, plays a crucial role in enhancing performance. Agusta (2013) also supported this view, finding that both training and work motivation positively affected employee performance, either individually or in combination.

## **5.3. The Effect of Work Ability on Motivation**

The results show that work ability significantly influences motivation. This implies that employees who possess the necessary skills and competencies are more likely to feel motivated in their work environment. This conclusion aligns with findings by Sekartini (2016), who reported that while work ability negatively affected job satisfaction and performance, motivation and work discipline were positively associated with both. This suggests that although ability alone may not directly enhance satisfaction, it contributes to motivation when supported by other factors. Azwar, Robbaq, and Siswanto (2015) also found that work ability had a significant positive impact on motivation. Although workload did not directly affect motivation, it had an indirect influence when considered alongside work ability. This highlights the complex relationship between various job characteristics and motivation. Sinuhaji (2014) further emphasized that, among the examined variables, only work ability significantly influenced performance, suggesting a potential link between ability and motivation.

## **5.4. Motivation as a Mediator in the Relationship Between Work Ability and Performance**

The study confirms that motivation plays a mediating role in the relationship between work ability and employee performance. This indicates that while work ability has a direct impact on performance, its influence is further strengthened when accompanied by high levels of motivation. Supporting this finding, Haryono, Febriansyah, and Sumarni (2020) observed that leadership and work ability positively influenced motivation, which in turn supported better employee performance. Their study emphasized the importance of motivation as a connecting factor between employee competencies and performance outcomes. Similarly, Dewi and Utama (2016) found that both career development and motivation significantly improved performance. However, motivation did not mediate the relationship between career development and performance, suggesting that development initiatives may directly influence performance independent of motivational factors.

## **6. Conclusions**

This has successfully validated the proposed hypotheses, demonstrating a positive and significant relationship between work ability and employee performance. This suggests that employees who possess strong work capabilities tend to exhibit greater confidence and positive attitudes toward their organization, which, in turn, contributes to enhanced organizational performance. Furthermore, the second hypothesis is also supported, indicating that motivation has a significant and positive impact on employee performance. This implies that employees with high levels of motivation are more likely to carry out their duties efficiently and effectively, ultimately contributing to the overall success of the organization. An additional significant outcome of the study reveals that motivation serves as a mediating variable in the relationship between work ability and employee performance. This indicates that managerial competence positively influences work motivation, and employees who are aware of their capabilities and are highly motivated are more likely to

achieve their performance targets. Despite the valuable insights obtained, this study has several limitations: (i) some questionnaire items were based on general concepts, potentially affecting the reliability and validity of the data collection instrument; (ii) the sample size was relatively small, which may limit the generalizability of the findings; and (iii) the data collected relied on respondents' perceptions, which may not accurately reflect actual conditions and could lead to response bias. Future studies should consider expanding the sample size and including multiple organizations or units to improve the generalizability of the results. Also, subsequent research is encouraged to utilize a more comprehensive model to capture a broader range of influencing factors; and future researchers are advised to employ mixed or alternative research methods to triangulate findings and reduce potential misinterpretation.

**Author Contributions:** Conceptualization, A.K.H. and A.T.B.; methodology, A.K.H.; software, A.K.H.; validation, A.T.B., M.M., S.E., G.G. and A.M.; formal analysis, A.K.H.; investigation, A.K.H. and A.T.B.; resources, A.K.H.; data curation, A.T.B., M.M., S.E., G.G. and A.M.; writing—original draft preparation, A.K.H. and A.T.B.; writing—review and editing, A.K.H., A.T.B., M.M., S.E., G.G. and A.M.; visualization, A.K.H.; supervision, A.T.B.; project administration, A.T.B.; funding acquisition, A.T.B. All authors have read and agreed to the published version of the manuscript.

**Funding:** This research received no external funding.

**Institutional Review Board Statement:** Not applicable.

**Informed Consent Statement:** Informed consent was obtained from all subjects involved in the study.

**Data Availability Statement:** Not applicable.

**Acknowledgments:** The author would like to thank the Universiti Tun Hussein Onn Malaysia and Universitas Islam Sultan Agung, Indonesia, for supporting this research and publication. We would also like to thank the reviewers for their constructive comments and suggestions.

**Conflicts of Interest:** The authors declare no conflict of interest.

## References

- Abraham, M. (2002). *Motivating employees*. In A. Dale Tumphe (Ed.), *Human resource management series* (5th ed.). Jakarta: PT Elek Media Koputindo.
- Agusta, L. (2013). The effect of training and work motivation on employee performance of CV Haragon Surabaya. *Agora*, 1(3), 1399–1408.
- Anwar Prabu Mangkunegara, A. A. (2007). *Manajemen sumber daya manusia* (Cet. 7). Bandung: PT Remaja Rosdakarya.
- Azwar, I. R., & Siswanto, S. (2015). Analysis of workload, its implications for work motivation with work ability as an intervening variable in MSME Bank employees. *Jurnal Keuangan dan Perbankan*, 19(3), 475–487.
- Deci, E. L., & Ryan, R. M. (2000). The “what” and “why” of goal pursuits: Human needs and the self-determination of behavior. *Psychological Inquiry*, 11(4), 227–268. [https://doi.org/10.1207/S15327965PLI1104\\_01](https://doi.org/10.1207/S15327965PLI1104_01)
- Dewi, N. L. P. A. A., & Utama, I. W. M. (2016). The effect of career development on employee performance through mediation of work motivation at Karya Mas Art Gallery (Doctoral dissertation, Udayana University).
- Gagné, M., & Deci, E. L. (2005). *Self-determination theory and work motivation*. *Journal of Organizational Behavior*, 26(4), 331–362. <https://doi.org/10.1002/job.322>
- Ghozali, I. (2017). The effect of work motivation, job satisfaction and work ability on employee performance at the Banjar Regency Ministry of Religion Office. *Jurnal Ilmiah Ekonomi Bisnis*, 3(1).
- Gibson, M. (2001). *Pharmaceutical preformulation and formulation* (pp. 546–550). CRC Press.
- Haryono, S., Febriansyah, F., & Sumarni, S. (2020). The effect of leadership and work ability on employee performance: The mediating role of work motivation. *Jurnal Manajemen DayaSaing*, 22(1), 21–28.
- Hasibuan, M. S. P. (2006). *Dasar-dasar manajemen: Pengertian dan masalah* (Ed. revisi). Jakarta: Bumi Aksara.
- Kaletka, D. (2006). Lifestyle index and work ability. *International Journal of Occupational Medicine and Environmental Health*, 19(3), 170–177.
- Marjaya, I., & Pasaribu, F. (2019). The effect of leadership, motivation, and training on employee performance. *Maneggio: Jurnal Ilmiah Magister Manajemen*, 2(1), 129–147.

- Moenir, H. A. S. (2008). *Manajemen pelayanan umum di Indonesia*. Jakarta: Bumi Aksara.
- Murti, H., & Srimulyani, V. A. (2013). The effect of motivation on employee performance with the mediating variable of job satisfaction at PDAM Madiun City. *JRMA (Jurnal Riset Manajemen dan Akuntansi)*, 1(1), 10–17.
- Nazir, M. (2005). *Metode penelitian*. Jakarta: Ghalia Indonesia.
- Purwanto, N. (2006). *Psikologi pendidikan*. Bandung: PT Remaja Rosdakarya.
- Ranupandojo, H., & Husnan, S. (2000). *Organisasi dan motivasi: Produktivitas peningkatan pasar*. Jakarta: Bumi Angkasa.
- Robbins, S. P. (2006). *Perilaku organisasi* (10th ed., B. Molan, Trans.). Jakarta: Erlangga. (Original work published in English)
- Ryan, R. M., & Deci, E. L. (2020). *Intrinsic and extrinsic motivation from a self-determination theory perspective: Definitions, theory, practices, and future directions*. *Contemporary Educational Psychology*, 61, 101860. <https://doi.org/10.1016/j.cedpsych.2020.101860>
- Sardiman, A. M. (2007). *Interaksi dan motivasi belajar mengajar*. Jakarta: Raja Grafindo Persada.
- Se kartini, N. L. (2016). The influence of work ability, work discipline, work motivation on job satisfaction and performance of administrative employees of Warmadewa University. *Jurnal Ekonomi & Bisnis Jagaditha*, 3(2), 64–75.
- Sinuhaji, E. (2019). The influence of personality, work ability and work motivation on outsourcing HR performance at PT. Catur Karya Sentosa Medan. *Ilman: Jurnal Ilmu Manajemen*, 1(1).
- Soelaiman. (2007). *Manajemen kinerja: Langkah efektif membangun, mengendalikan dan mengevaluasi kerja* (Cet. 2). Jakarta: PT Intermedia Personalia Utama.
- Thoha, M. (2010). *Pengembangan organisasi: Diagnosa dan proses intervensi manajemen kepemimpinan*. Yogyakarta: Gava Media.
- Tika, M. P. (2006). *Budaya organisasi dan peningkatan kinerja perusahaan*. Jakarta: Bumi Aksara.
- Tirtayasa, S. (2019). The influence of leadership, organizational culture, and motivation on employee performance. *Maneggio: Jurnal Ilmiah Magister Manajemen*, 2(1), 45–54.
- Uno, H. B. (2008). *Teori motivasi dan pengukurannya*. Jakarta: Bumi Aksara.
- Wibowo. (2007). *Manajemen kinerja* (Ed. ke-3). Jakarta: PT Raja Grafindo Persada.