

The Effect of Competency and Training on Employee Performance in The Procurement Division of PT Bio Farma (Persero) With Job Satisfaction as a Mediation Variable

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ABSTRACT

Employee performance is one of the most important factors in maintaining organizational effectiveness and operational sustainability, particularly in the pharmaceutical industry which requires high standards of accuracy, efficiency, and compliance. This study aims to analyze the effect of competence and training on employee performance with job satisfaction as a mediating variable at the Procurement Division of PT Bio Farma (Persero). This study employed a quantitative explanatory approach using SEM-PLS. Data were collected through questionnaires distributed to 60 employees of the Procurement Division of PT Bio Farma (Persero). The independent variables in this study are competence and training, the dependent variable is employee performance, and the mediating variable is job satisfaction. The results indicate that competence has a positive and significant effect on job satisfaction, and training also has a positive and significant effect on job satisfaction. However, competence and training do not have a significant direct effect on employee performance. Furthermore, job satisfaction was unable to mediate the relationship among competence and training on employee performance. These findings imply that competence and training primarily contribute to improving employees' work comfort, confidence, and understanding rather than directly enhancing performance outcomes. Therefore, companies should also consider other factors influencing employee performance, such as organizational culture, work environment, leadership, and motivation systems.

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1. INTRODUCTION

Human resources are strategic assets that determine organizational sustainability and competitiveness, especially in industries with high operational complexity such as the pharmaceutical sector. The pharmaceutical industry requires organizations to maintain product quality, operational efficiency, and strict compliance with national and international regulations. Consequently, employee performance becomes one of the main determinants of organizational success.

PT Bio Farma (Persero) stands as Indonesia's exclusive vaccine producer, playing a crucial role in safeguarding public health nationwide and contributing to global immunization efforts. The company's Procurement Division is responsible for securing vital raw materials, advanced equipment, and comprehensive support systems necessary to maintain uninterrupted vaccine manufacturing. This dedicated team ensures that production processes run smoothly, helping to meet both domestic and international demands consistently.

According to internal operational data, the Procurement Division of PT Bio Farma demonstrated relatively high procurement efficiency performance. However, the division also experienced employee turnover reaching approximately 10% annually, which potentially threatens long-term operational stability. High turnover may lead to loss of tacit knowledge, decreased operational efficiency, and additional recruitment and training costs. Therefore, companies need to maintain employee performance sustainability through competence development and effective training systems.

Competence is considered one of the most important determinants of employee performance because it reflects employees' knowledge, skills, and work attitudes in carrying out their responsibilities. [1] explained that competence represents underlying characteristics that directly influence superior performance. Employees with high competence tend to work more

effectively, solve problems faster, and adapt better to organizational changes.

Beyond technical competence, training also plays an important role in improving employee capability. Effective training programs enhance technical and non-technical skills, improve work understanding, and support employees in facing increasingly dynamic organizational challenges. According to training is an organizational effort to [2] improve employees' abilities in performing current and future job responsibilities.

However, competence and training may not directly influence employee performance without psychological support factors such as job satisfaction. Job satisfaction reflects employees' emotional responses toward their work and organizational environment. Satisfied employees generally demonstrate stronger commitment, higher motivation, and better work performance. [3] stated that job satisfaction positively affects employee attitudes and work outcomes.

Studies examining competence, training, job satisfaction, and performance often yield mixed findings, emphasizing the importance of additional research to better understand these relationships. This need is particularly urgent within Indonesia's pharmaceutical procurement sector, where more comprehensive investigations could lead to improved strategies for workforce development and overall operational efficiency.

This research explores the influence of competence and training on employee performance, highlighting the role of job satisfaction as a mediating factor that links these elements and impacts overall work effectiveness.

Research within Indonesian organizations indicates that investing in competency development and training programs significantly improves employees' attitudes, fosters greater commitment, and boosts overall performance. These factors are essential for ensuring long-term organizational sustainability and enabling businesses to effectively adapt to constantly

changing market conditions and evolving industry demands [4].

2. LITERATURE REVIEW

2.1 Competence

Competence involves the integration of knowledge, practical skills, positive attitudes, and personal traits essential for effective performance. [1] explained that competence relates to underlying individual characteristics causally associated with superior performance.

Employee competence encompasses a range of essential qualities such as technical expertise, adaptability to changing circumstances, strong problem-solving abilities, and responsiveness, all of which significantly contribute to enhancing overall organizational effectiveness and success [5].

Competence plays an important role in improving work effectiveness because competent employees are more capable of completing tasks accurately, efficiently, and according to company standards

2.2 Training Theory

Training is an organizational effort designed to improve employee capabilities and effectiveness. According to [6], Training provides employees with vital skills and knowledge necessary for effective performance and growth.

Meanwhile, Raymond A. Noe Training involves a deliberate organizational process aimed at enhancing employees' job skills and improving their overall performance.

Effective training programs improve employees' operational understanding, strengthen organizational support perceptions, and help employees adapt to changing work demands and technological developments. Training activities also contribute to improving employee capability and organizational productivity [4].

2.3 Job Satisfaction

Job satisfaction is broadly defined as employees' positive affective orientation toward their work roles, arising from the extent to which the job meets their needs and expectations [3]. The Two-Factor Theory [7] distinguishes motivator factors achievement, recognition, responsibility, growth which generate intrinsic satisfaction, and hygiene factors compensation, working conditions, supervision which prevent dissatisfaction.

According to Frederick Herzberg in the Two-Factor Theory, job satisfaction is influenced by two groups of factors, namely motivator factors and hygiene factors. Motivator factors are intrinsic factors that originate from the job itself and are capable of increasing employee job satisfaction. These factors include achievement, recognition, responsibility, and career advancement. When employees receive recognition for their contributions, are entrusted with clear responsibilities, and are provided with career development opportunities, their level of job satisfaction tends to increase addition to motivator factors, Herzberg also explained hygiene factors, which are external factors related to the work environment. These factors include salary, supervision, company policy, and working conditions. Hygiene factors do not directly increase employee motivation; however, if these factors are not properly fulfilled, they may lead to employee dissatisfaction. Therefore, organizations need to create a supportive work environment through appropriate organizational policies, effective supervision systems, fair compensation, and comfortable working conditions so that employees can work optimally. Herzberg's theory is highly relevant to this study because the competence development and training programs provided by the company can enhance employees' motivator factors, thereby increasing job satisfaction. Research conducted in Indonesian organizational

environments also found that employee development programs and organizational support positively influence job satisfaction because employees tend to feel more valued and supported by the organization [8]. On the other hand, favorable organizational conditions as part of hygiene factors also play an important role in supporting employee comfort and work stability within the Procurement Division of PT Bio Farma (Persero). on this evidence:

2.4 The Effect of Competence on Employee Performance

Competence is one of the important factors influencing employee performance within an organization. Employees possessing strong knowledge, technical skills, and work abilities tend to perform their responsibilities more effectively and efficiently. According to [1], competence represents an underlying characteristic that directly influences superior work performance. Employees with higher competence levels are generally capable of adapting to organizational changes, solving work-related problems, and achieving organizational targets more effectively. Therefore, competence is expected to positively contribute to employee performance in the Procurement Division of PT Bio Farma (Persero).

H1: Competence has a positive and significant effect on employee performance in the Procurement Division of PT Bio Farma (Persero).

2.5 The Effect of Competence on Job Satisfaction

Competence not only influences employees' ability to perform their work but also affects employees' psychological conditions, particularly job satisfaction. Employees who possess sufficient competence tend to feel more confident, valued, and comfortable in carrying out their responsibilities. These conditions may encourage positive emotional responses toward work and organizational environments. According

to Stephen P. Robbins and Timothy A. Judge, employees who are able to perform their work effectively generally demonstrate higher levels of job satisfaction. Therefore, competence is expected to positively influence employee job satisfaction

H2: Competence has a positive and significant effect on job satisfaction in the Procurement Division of PT Bio Farma (Persero).

2.6 The Effect of Training on Employee Performance

Training is an organizational effort designed to improve employee knowledge, skills, and work effectiveness. Effective training programs enable employees to better understand work procedures, improve technical capabilities, and increase operational efficiency. According to Gary Dessler, training is a systematic process aimed at improving employees' work abilities in carrying out their responsibilities. Employees who receive effective training are expected to demonstrate improved work quality and productivity. Therefore, training is expected to positively affect employee performance.

Previous empirical studies conducted in Indonesian organizational environments demonstrated that employee training programs significantly contribute to improving employee capability, operational understanding, and work performance effectiveness [5].

H3: Training has a positive and significant effect on employee performance in the Procurement Division of PT Bio Farma (Persero).

2.7 The Effect of Training on Job Satisfaction

Training programs provided by organizations may also influence employee job satisfaction. Employees who receive training opportunities tend to perceive organizational support positively because organizations invest in employee development and career improvement. Training also improves employee confidence in performing work

tasks effectively. According to Social Exchange Theory proposed by Peter M. Blau, employees who perceive organizational support positively are likely to respond with positive attitudes and increased satisfaction. Therefore, training is expected to positively influence employee job satisfaction.

H4: Training has a positive and significant effect on job satisfaction in the Procurement Division of PT Bio Farma (Persero).

2.8 The Effect of Job Satisfaction on Employee Performance

Job satisfaction reflects the positive feelings employees have about their work environment and responsibilities. When employees feel satisfied, they tend to experience higher levels of motivation and dedication, which often results in improved performance. This positive attitude fosters greater engagement, encourages commitment to organizational goals, and ultimately contributes to a more productive and harmonious workplace.

H5: Job satisfaction has a positive and significant effect on employee performance in the Procurement Division of PT Bio Farma (Persero).

2.9 The Mediating Effect of Job Satisfaction on the Relationship Between Competence and Employee Performance

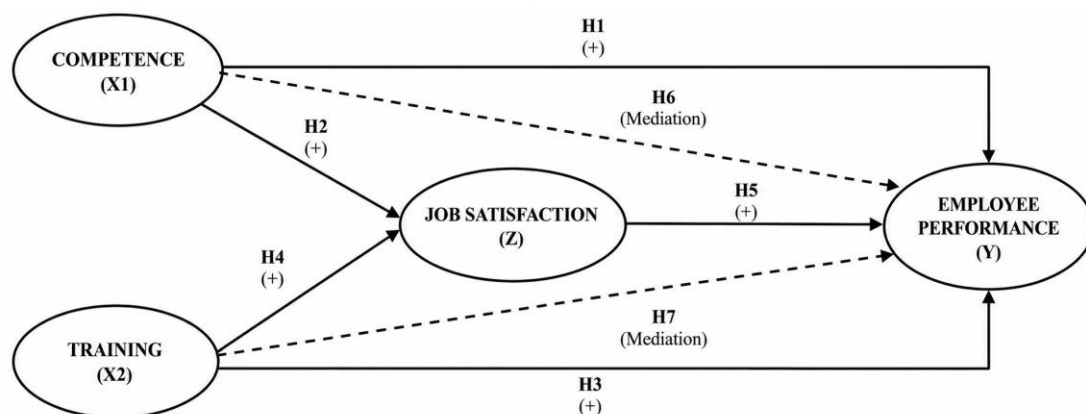


Figure 1. Research model

The research model explores the ways in which competence and training influence employee performance within PT Bio Farma's Procurement Division. It

When employees possess high competence, their confidence and sense of value are significantly strengthened. This increased confidence leads to greater job satisfaction, which serves as a key mediator in enhancing their motivation to work. As a result, their overall performance improves, creating a positive cycle of growth and achievement within the organization.

H6: Job satisfaction mediates the effect of competence on employee performance in the Procurement Division of PT Bio Farma (Persero).

2.10 The Mediating Effect of Job Satisfaction on the Relationship Between Training and Employee Performance

Training programs improve employees' skills and positively influence their perception of support within the organization. This increased support and skill development contribute to greater job satisfaction, which in turn mediates and amplifies the beneficial effects on overall employee performance and productivity.

H7: Job satisfaction mediates the effect of training on employee performance in the Procurement Division of PT Bio Farma (Persero).

considers both direct effects and indirect effects mediated by job satisfaction, emphasizing the importance of a satisfied workforce for optimal

performance. The study demonstrates that competence and training have a significant positive impact on employees' job satisfaction, which in turn enhances their overall performance. The analysis is conducted using the SEM-PLS methodology, providing a comprehensive understanding of the interconnected relationships among these factors. Overall, the findings highlight the critical role of training and competence development in improving employee effectiveness.

3. METHODS

3.1 Research Design

This research employed a quantitative, explanatory approach to investigate the impact of competence and training on employee performance, with a focus on the mediating role of job satisfaction within PT Bio Farma's Procurement Division. A total of 60 employees participated in the study by completing structured questionnaires designed to gather relevant data. The collected data were analyzed using SEM-PLS through the SmartPLS 4.0 software. This analytical method enabled the researchers to examine both direct and indirect relationships among the variables, providing a comprehensive understanding of how training and competence influence job satisfaction and, consequently, employee performance in the organization. According to [9], Quantitative research involves testing hypotheses through statistical methods, with SEM-PLS being particularly suitable for analyzing complex predictive models and understanding relationships among variables [10].

All sixty employees working in PT Bio Farma's Procurement Division took part in the study through saturated sampling, as the division's relatively small number of staff made it feasible to include every individual in the research process. According to [9], Saturated sampling refers to the method of

including every individual from a population, particularly when the population size is small. In this case, it means selecting all 60 employees within the Procurement Division to ensure comprehensive data collection and analysis.

3.2 Instrument

Data were collected through a structured self-administered questionnaire using a five-point Likert scale ranging from 1 = Strongly Disagree to 5 = Strongly Agree. Competence was measured using 7 indicators reflecting employees' knowledge, skills, work abilities, and problem-solving capabilities according to the competency theory proposed by [1]. Training was measured using 7 indicators covering training effectiveness, skill development, knowledge improvement, and work adaptability according to the training theory proposed by Gary Dessler [6]. Job satisfaction was measured through 6 indicators representing motivator and hygiene dimensions according to the Two-Factor Theory developed by Frederick Herzberg [7]. Employee performance was measured using 6 indicators reflecting work quality, work quantity, effectiveness, timeliness, and responsibility according to the performance theory proposed by [11].

3.3 Data Analysis

The research employed SEM-PLS methodology utilizing SmartPLS 4.0 software to examine intricate relationships among various variables. This approach is particularly appropriate for developing predictive models and handling smaller sample sizes, as it effectively captures both direct and indirect effects within the data. The use of SEM-PLS allows for a comprehensive understanding of the complex interactions present in the study [10]. The analysis process included testing the outer model to assess its validity and reliability, ensuring that the measurement instruments accurately captured the intended constructs.

Additionally, the inner model was examined to explore the relationships and effects among the variables. To determine the significance of the hypotheses, criteria such as T-statistics exceeding 1.96 and P-values below 0.05 were used. These thresholds helped confirm which relationships were statistically meaningful, providing a solid foundation for interpreting the structural model's results.

The results show that training does not significantly affect employee performance. This indicates that training implementation alone may not directly improve employee productivity. However, this finding differs from previous empirical studies which found that competence and training had direct positive effects on employee performance and organizational effectiveness [4].

4. RESULTS AND DISCUSSION

4.1 Respondents' Characteristics

The respondents in this study consisted of 60 employees from the Procurement Division of PT Bio Farma (Persero). According to age distribution, the majority of respondents were among 25–35 years old, totaling 25 employees (41.67%), followed by employees under

25 years old totaling 16 employees (26.67%), employees aged 36–45 years totaling 12 employees (20%), and employees above 45 years old totaling 7 employees (11.66%). In terms of educational background, most respondents held Diploma (D3) degrees totaling 25 employees (41.67%), followed by Bachelor's degrees (S1) totaling 22 employees (36.67%), Master's degrees (S2) totaling 8 employees (13.33%), and high school graduates totaling 5 employees (8.33%). According to working experience, the majority of respondents had 1–3 years of work experience totaling 23 employees (38.33%), followed by employees with 4–6 years of experience totaling 17 employees (28.33%), employees with less than one year of experience totaling 11 employees (18.33%), and employees with more than six years of experience totaling 9 employees (15.01%). These findings indicate that most respondents were within productive working age, possessed relevant educational qualifications, and had sufficient work experience to support procurement operational activities within the organization.

Table 1. Characteristics of the respondents

Category	Characteristic	Frequency	Percentage (%)
Age	< 25 years	16	26.67
	25–35 years	25	41.67
	36–45 years	12	20.00
	> 45 years	7	11.66
	Total	60	100.00
Education Level	High School (SMA/SMK)	5	8.33
	Diploma (D3)	25	41.67
	Bachelor's Degree (S1)	22	36.67
	Master's Degree (S2)	8	13.33
	Total	60	100.00
Years of Service	< 1 year	11	18.33
	1–3 years	23	38.33
	4–6 years	17	28.33
	> 6 years	9	15.01
	Total	60	100.00

The measurement model demonstrated excellent reliability, as all indicators exceeded the threshold value of 0.70. Furthermore, key reliability metrics such as Cronbach's Alpha, Composite Reliability, and AVE surpassed their respective acceptable thresholds. These findings provide strong evidence of the model's internal consistency, ensuring that the items within each construct reliably measure the same concept. Additionally, the high AVE values support convergent validity, confirming that the constructs accurately capture the intended theoretical concepts. Overall, these results validate

the robustness of the measurement model in accurately reflecting the studied phenomena (Hair et al., 2021). All the constructs examined in the study demonstrated excellent reliability and validity. Specifically, the composite reliability values exceeded 0.953, indicating strong internal consistency among the items within each construct. Additionally, the AVE was above 0.745, confirming that a substantial proportion of variance was captured by the constructs. These results affirm that the measures are appropriate and robust for conducting SEM-PLS analysis, ensuring accurate and meaningful findings.

Table 2. Construct Reliability and Convergent Validity

Construct	CR	AVE
Competence (X1)	0.957	0.761
Training (X2)	0.953	0.745
Employee Performance (Y)	0.949	0.757
Job Satisfaction (Z)	0.949	0.757

Discriminant validity in this study was assessed using the Fornell–Larcker criterion. According to Hair et al. (2021), Discriminant validity means that each idea or concept in a study is different enough from the others. In

Table 3, all the ideas meet this rule, showing they are separate and clear. This helps prove that the way the study is set up is correct and that the results are trustworthy for further analysis.

Table 3. Fornell–Larcker Criterion for Discriminant Validity

	X1	X2	Y	Z
X1	0.872			
X2	0.842	0.863		
Y	0.915	0.804	0.817	
Z	0.815	0.832	0.881	0.870

4.2 Structural Model and Hypothesis Testing

Table 4 reveals that while competence has a positive impact on employee performance, the effect is not statistically significant, resulting in the rejection of hypothesis H1. On the other hand, competence plays a significant role in enhancing job satisfaction among employees. This suggests that skilled employees tend to experience higher levels of confidence and fulfillment in their roles within PT Bio Farma's Procurement Division. The findings

highlight the importance of competence in fostering a more satisfied workforce, even if its direct influence on performance requires further investigation to establish stronger evidence. Overall, competence appears crucial for employee satisfaction in this organizational context.

The training program demonstrated a positive influence on employee performance; however, this effect was not statistically significant, resulting in the rejection of hypothesis three (H3). Conversely, the training had

a significant positive impact on both job satisfaction and perceived organizational support, thereby providing support for hypothesis four (H4). Employees who participated in the training reported higher levels of satisfaction with their jobs and felt more supported by their organization, indicating that training effectively enhances employees' overall morale and perceived organizational backing.

Organizational commitment plays a crucial role in fostering work discipline among employees, leading to more consistent and reliable work

behaviors. Additionally, high levels of job satisfaction are closely linked to improved employee performance, as satisfied workers tend to be more motivated and engaged in their tasks. However, research findings suggest that job satisfaction does not serve as a mediating factor among competence or training and overall performance. Consequently, hypotheses H6 and H7 are rejected, highlighting that job satisfaction alone does not significantly influence the relationship among an employee's skills or training and their work performance.

Table 4. Coefficient Path and Mediation Analysis

Effect	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
X1 → Y	0.324	0.350	0.205	1.584	0.114
X1 → Z	0.380	0.380	0.173	2.198	0.028
X2 → Y	0.375	0.357	0.209	1.792	0.074
X2 → Z	0.355	0.360	0.177	2.011	0.045
Z → Y	0.406	0.401	0.245	1.656	0.098
X1 → Z → Y	0.076	0.071	0.081	0.935	0.354
X2 → Z → Y	0.099	0.105	0.092	1.075	0.287

Note: $P < 0.05$ indicates a significant relationship. X1 = Competence; X2 = Training; Z = Job Satisfaction; Y = Employee Performance.

Mediation analysis indicates that job satisfaction does not play a significant mediating role in the relationship among competence, training, and employee performance. This conclusion is according to the fact that the indirect effects observed in the study have p-values values exceeding the conventional threshold of 0.05, suggesting that these effects are not statistically significant. As a result, there is insufficient evidence to support the idea that job satisfaction acts as a mediator in this particular context. The findings imply that improvements in competence and training may directly influence employee performance without necessarily impacting job satisfaction, or that other mediating factors should be explored in future research.

According to Frederick Herzberg through the Two-Factor Theory, job satisfaction is influenced by motivator

and hygiene factors that shape employees' psychological conditions and work attitudes. Employees who experience positive organizational support, recognition, and development opportunities tend to demonstrate higher levels of satisfaction. In this study, competence and training were found to significantly improve employee job satisfaction because employees perceived increased capability, organizational support, and professional development opportunities.

However, the findings further reveal that job satisfaction was not sufficiently strong to significantly improve employee performance indirectly. This result indicates that employee performance in the Procurement Division of PT Bio Farma (Persero) may not solely depend on psychological satisfaction, but also on operational systems, workload

management, organizational procedures, and performance evaluation mechanisms. This finding is also supported by Social Exchange Theory proposed by [12], which explains that positive organizational treatment may generate positive employee attitudes, although such attitudes do not always directly translate into higher work performance. Therefore, job satisfaction was unable to function as an effective mediating variable in the relationship among competence, training, and employee performance in this study.

4.3 *Theoretical and Practical Contributions*

This study contributes to the development of human resource management literature by examining the relationships among competence, training, job satisfaction, and employee performance using the SEM-PLS approach. The findings confirm that competence and training significantly influence job satisfaction, supporting the theories proposed by [1] and [6] regarding the importance of employee capability development in improving positive work attitudes. In addition, this study extends Frederick Herzberg's Two-Factor Theory by demonstrating that although competence and training increase job satisfaction, job satisfaction does not necessarily mediate employee performance significantly. Therefore, this study provides empirical evidence that employee performance may also be influenced by broader organizational and operational factors beyond psychological satisfaction alone.

Practically, this study provides important implications for management in the Procurement Division of PT Bio Farma (Persero). The findings suggest that organizations should continue improving employee competence and training programs because both variables significantly enhance employee job satisfaction. However, management should not rely solely on job satisfaction to improve employee performance. Organizations also need to strengthen

performance management systems, work supervision, operational effectiveness, and employee evaluation mechanisms to achieve optimal performance outcomes. Furthermore, training programs should be designed more effectively to ensure that the knowledge and skills gained by employees can be directly implemented in daily operational activities.

4.4 *Theoretical and Practical Implications*

This research provides empirical data demonstrating the influence of competence and training on both job satisfaction and employee performance within PT Bio Farma's Procurement Division. The findings support the competency theory, which posits that the development of skills and capabilities positively affects employees' attitudes toward their work. Additionally, well-trained and competent staff are more likely to contribute to the overall success and efficiency of the organization, highlighting the importance of targeted training programs [1]. The results also reinforce the training theory proposed by Gary Dessler, explaining that employee development programs can improve employees' perceptions of organizational support and work satisfaction [6].

Furthermore, this study extends Frederick Herzberg's Two-Factor Theory by demonstrating that although competence and training positively affect job satisfaction, job satisfaction was not able to significantly mediate employee performance. This finding suggests that employee performance may not solely depend on psychological satisfaction factors, but also on operational systems, organizational policies, supervision, and performance management mechanisms. In addition, the findings partially support Social Exchange Theory proposed by Peter M. Blau, which explains that positive organizational treatment can encourage positive employee attitudes, although such attitudes do not always directly translate into higher performance outcomes [12].

Practically, this study provides important managerial implications for PT Bio Farma (Persero), particularly within the Procurement Division. The findings suggest that management should continue strengthening employee competence through continuous professional development, technical skill enhancement, and competency-based training programs. Effective training programs are essential because they significantly improve employee job satisfaction and help employees adapt to organizational demands and operational changes.

However, since job satisfaction was not found to significantly improve employee performance, organizations should not rely solely on employee satisfaction initiatives to achieve higher performance outcomes. Management should also improve work supervision systems, operational effectiveness, performance evaluation mechanisms, and employee accountability processes to ensure that employee competencies and training outcomes can be implemented effectively in daily work activities. Therefore, integrating competency development, effective training programs, and stronger organizational performance systems is essential to improving overall employee performance within the organization.

4.5 Limitations and Future Research

This study presents several important limitations that should be taken into account when evaluating its findings. Firstly, the research was conducted exclusively within the Procurement Division of PT Bio Farma, involving a relatively small sample size of only 60 respondents. This narrow scope restricts the ability to generalize the results to other organizations or sectors, as different environments may exhibit varying dynamics and influencing factors. The focus of the study was limited to specific variables such as competence, training, job satisfaction, and employee performance,

while other potentially significant factors—such as leadership style, organizational culture, work environment, motivation, and compensation—were not examined. These elements could also play crucial roles in shaping employee performance and should be considered in future research. Furthermore, the study employed a cross-sectional design, collecting data at a single point in time. This approach does not allow for the observation of changes or developments over an extended period, which could provide deeper insights into causal relationships and performance trends. Additionally, data collection was according to self-administered questionnaires, which may introduce subjective bias, as respondents might provide socially desirable answers or misinterpret questions. To enhance the robustness and applicability of future research, it is recommended to involve larger and more diverse samples across different organizations and sectors. Incorporating a broader range of variables, including leadership [12], organizational culture, and motivation, would provide a more comprehensive understanding of factors influencing performance. Moreover, adopting longitudinal research designs could facilitate the analysis of causal relationships and the evolution of employee performance over time.

5. CONCLUSION

The research revealed that both competence and training significantly influence employee job satisfaction within PT Bio Farma's Procurement Division. Employees who possess higher levels of competence and undergo effective training tend to experience greater satisfaction with their work. This finding underscores the critical role that continuous skill development and targeted training programs play in enhancing employee morale and performance. Ensuring that staff members

are well-trained and competent not only boosts individual satisfaction but also contributes to the overall efficiency and success of the organization.

The research indicates that factors such as competence, training, and job satisfaction do not have a significant direct or indirect impact on employee performance when examined through mediating variables. This suggests that these elements may not be the primary drivers of performance outcomes, and their influence might be limited or mediated by other factors within the organizational context.

This model emphasizes organizational commitment as its primary

focus; however, employee performance within PT Bio Farma's Procurement Division is influenced by multiple factors. In addition to job satisfaction, elements such as effective performance management, operational efficiency, quality supervision, and strong organizational support play critical roles. Furthermore, ongoing competency development and comprehensive training programs are essential to enhance employee capabilities. These combined factors contribute significantly to overall performance, highlighting that a multifaceted approach is necessary to achieve optimal results in the division's operations.

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