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Employee Competence, Placement, And Incentives And Perceived Organizational Performance In A Provincial Revenue Agency: Evidence From West Java, Indonesia

Kompetensi, Penempatan, Dan Insentif Pegawai Serta Persepsi Kinerja Organisasi Pada Badan Pendapatan Daerah Provinsi: Bukti Dari Jawa Barat, Indonesia

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ABSTRACT
Revenue agencies depend on their workforce to meet tax targets, yet evidence on which human resource levers relate to their performance is thin. This study estimates how employee competence, placement, and incentives relate to perceived organizational performance in the West Java Regional Revenue Agency, Indonesia. A cross-sectional survey of 163 civil servants and government employees with work agreements was analyzed with partial least squares structural equation modeling (10,000 bootstrap resamples) and sensitivity analyses; 2019–2025 revenue records provide context only. Construct means were very high (4.33–4.53). Competence (β = 0.383; 95% confidence interval [0.189, 0.581]) and incentives (β = 0.327; [0.136, 0.621]) were positively associated with perceived organizational performance (R^2 = 0.843), whereas placement (β = 0.284; [−0.005, 0.503]) was borderline and fell to 0.170 when indicators overlapping with the outcome were removed. Full-collinearity variance inflation factors (3.33–6.37) show that common-source bias cannot be excluded. Competence is the most robust correlate, incentives are second, and placement is fragile. The results describe perceptions, not realized tax revenue or causal effects. The study links three human resource levers to organizational rather than individual performance and tests each association's sensitivity to measurement and estimation choices.
Keywords: *employee competence; person–job fit; performance-related pay; organizational performance; public sector*

ABSTRAK
Badan pendapatan daerah bergantung pada tenaga kerjanya untuk mencapai target pajak, tetapi bukti tentang pengungkit sumber daya manusia yang berhubungan dengan kinerja organisasinya masih terbatas. Penelitian ini mengestimasi hubungan kompetensi, penempatan, dan insentif pegawai dengan persepsi kinerja organisasi di Badan Pendapatan Daerah Provinsi Jawa Barat. Survei potong lintang terhadap 163 pegawai negeri sipil dan pegawai pemerintah dengan perjanjian kerja dianalisis dengan pemodelan persamaan struktural kuadrat terkecil parsial (10,000 resampel bootstrap) dan analisis sensitivitas; catatan pendapatan 2019–2025 hanya menjadi konteks. Rerata konstruk sangat tinggi (4.33–4.53). Kompetensi (β = 0.383; interval kepercayaan 95% [0.189, 0.581]) dan insentif (β = 0.327; [0.136, 0.621]) berhubungan positif dengan persepsi kinerja organisasi (R^2 = 0.843), sedangkan penempatan (β = 0.284; [−0.005, 0.503]) berada pada batas dan turun menjadi 0.170 ketika indikator yang tumpang tindih dengan hasil dihapus. Faktor inflasi varians kolinearitas penuh (3.33–6.37) menunjukkan bias sumber umum tidak dapat disingkirkan. Kompetensi merupakan korelat paling kuat, insentif kedua, dan penempatan rapuh. Hasil ini menggambarkan persepsi, bukan realisasi penerimaan pajak atau efek kausal. Penelitian ini menghubungkan tiga pengungkit sumber daya manusia dengan kinerja organisasi, bukan kinerja individu, dan menguji sensitivitas setiap hubungan terhadap pilihan pengukuran dan estimasi.
Kata kunci: kompetensi pegawai; kesesuaian orang–pekerjaan; gaji berbasis kinerja; kinerja organisasi; sektor publik

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1. Introduction

Public organizations are judged by whether they deliver services and meet fiscal commitments, and the people who staff them are the main channel through which resources become results (Armstrong & Taylor, 2023; Boyne, 2002). Evidence from public agencies shows that internal management choices, including strategy, culture, goal clarity, and decentralization, are associated with organizational performance (Andrews *et al.*, 2006; Moynihan & Pandey, 2005). Evidence from firms points the same way for human resource management (HRM). Meta-analyses link HRM systems to organizational outcomes through employee skills and motivation (Jiang *et al.*, 2012) and link human capital to firm performance (Crook *et al.*, 2011), while Huselid (1995) associated high-performance work practices with lower turnover, higher productivity, and stronger financial results. The resource-based view (RBV) offers a unifying explanation: a workforce that is valuable, rare, and difficult to imitate can sustain an organization's advantage (Barney, 1991). These arguments matter most where service quality and fiscal capacity are closely tied, as they are in tax collection, and where the quality of routine work is visible in the budget.

Revenue agencies are a demanding test of this argument because their output is measured in money. In Indonesia, the West Java Regional Revenue Agency (*Badan Pendapatan Daerah*, Bapenda) administers provincial taxes and runs the joint-service offices (*Sistem Administrasi Manunggal Satu Atap*, Samsat) where motor vehicle tax (*Pajak Kendaraan Bermotor*, PKB) and the motor vehicle title transfer fee (*Bea Balik Nama Kendaraan Bermotor*, BBNKB) are paid (Badan Pendapatan Daerah Provinsi Jawa Barat, 2025). Table 1 shows why these two levies matter. Together they supplied 68% to 74% of provincial tax revenue from 2019 to 2024 and 53% in 2025. Attainment against target was uneven. In 2020 both levies fell short (PKB 75.01%, BBNKB 86.04%); in 2023 only BBNKB did (92.83%, while PKB reached 102.17%); and in 2025 both did (92.02% and 81.65%).

The setting is also informative because collection depends on routine accuracy. Service-center staff register vehicles, apply tax regulations, and process payments, and the workforce mixes civil servants with government employees on work agreements (*Pegawai Pemerintah dengan Perjanjian Kerja*, PPPK) who work side by side. Work of this kind rewards command of regulations and procedures and penalizes mismatches between skills and posts. Indonesian civil service rules also give the competence construct an official frame, distinguishing technical, managerial, and socio-cultural competence (Kementerian Pendayagunaan Aparatur Negara dan Reformasi Birokrasi [PANRB], 2017). For managers, the practical stakes are concrete. Resources for training, placement reform, and incentive redesign are limited, and choosing among them requires evidence on which lever is most strongly and most robustly related to organizational performance.

Table 1 is context only. It does not link individuals or units to attainment and is not a variable in the analysis. A surcharge scheme (*opsen*) on PKB and BBNKB took effect in January 2025 under Law No. 1 of 2022 and changed how receipts are shared between the province and its districts and cities (Badan Pendapatan Daerah Provinsi Jawa Barat, 2025), so the 2025 share is not strictly comparable with other years. Vehicle demand also matters. Even so, the 2020 shortfall prompted an organizational response aimed at people: the agency's records show that 251 employees were initially slated for rotation out of the agency in mid-2021, that 74 employees in service-center posts were ultimately rotated, and that the incentive scheme for PKB and BBNKB collection was adjusted. Competence, placement, and incentives thus became the human resource levers that management was already changing.

Table 1. Attainment of motor vehicle tax targets and share of provincial tax revenue, 2019–2025.

Year	PKB attainment (%)	BBNKB attainment (%)	PKB + BBNKB share of provincial tax (%)
2019	101.74	104.56	74
2020	75.01	86.04	68
2021	104.06	107.97	71
2022	102.51	102.84	68
2023	102.17	92.83	68
2024	102.07	101.56	68
2025	92.02	81.65	53

Source: Authors' compilation from the agency's Executive Information System records. Attainment = realization ÷ target × 100. PKB = motor vehicle tax; BBNKB = motor vehicle title transfer fee. The 2025 share follows the introduction of the *opsen* surcharge scheme and is not strictly comparable with other years.

To decide which levers to study, the authors surveyed 20 colleagues of the researcher and ranked ten candidate factors by an index of the maximum possible score. Competence (93), placement (91), and incentives (86) ranked highest, ahead of motivation (82) and inter-unit coordination (80). A follow-up asked the same respondents to flag problem areas, and the most frequent flags were fairness of incentive distribution (19 of 20) and alignment of incentives with contribution (15 of 20). This convenience sample cannot represent the agency, and the flags capture perceived problems rather than verified breaches of incentive rules, so the survey is used only to motivate variable selection and is reported in Section 4.1.

The literature supports each lever but leaves gaps. Competence is defined as an underlying characteristic causally related to effective or superior performance (Spencer & Spencer, 1993). In a survey of 325 managerial and non-managerial employees of Indian banks, most selected competencies had positive and significant effects on organizational performance, while self-competence had an insignificant negative effect (Salman *et al.*, 2020). Studies of public-sector units report positive effects of competence on employee performance, but with very small samples: 23 employees in a district communications office (Rahmawati *et al.*, 2024) and 30 staff at a university (Sudrajat & Fikri, 2025).

Placement draws on person–environment fit, the idea that outcomes depend on the match between a person and the demands of the environment (French *et al.*, 1982; Edwards, 2008). A meta-analysis found that person–job fit relates to work attitudes and performance (Kristof-Brown *et al.*, 2005). The evidence for placement as a performance driver is less consistent. In a study of 222 employees of a municipal water company, competence and motivation improved performance but placement had no significant effect (Putri & Andriani, 2024).

Incentives are usually explained by expectancy theory, in which effort rises when people expect performance to be rewarded with outcomes they value (Vroom, 1964; Van Eerde & Thierry, 1996). Meta-analyses report that intrinsic motivation and extrinsic incentives jointly predict performance (Cerasoli *et al.*, 2014) and that financial incentives are associated with higher performance (Garbers & Konradt, 2014). A meta-analysis of performance-related pay found positive relationships with work outcomes whose strength varies by setting (George & van der Wal, 2023), and a review warned that the public-sector record is uneven (Perry *et al.*, 2009). In tax collection itself, a field experiment on performance pay for property tax collectors raised revenue but was accompanied by higher reported bribes (Khan *et al.*, 2016). Fairness also plays a part, since distributive and procedural justice relate to work outcomes

(Colquitt *et al.*, 2001). Intrinsic rewards raised performance through motivation among 300 respondents from small and medium enterprises (Manzoor *et al.*, 2021).

Three gaps follow. First, most of these studies treat individual employee performance as the outcome, whereas a revenue agency answers for organizational results. Second, the samples are small or drawn from other sectors, and among the studies reviewed here (Table 2) none tests competence, placement, and incentives together in a provincial revenue agency. Third, organizational performance is often rated by the same employees who rate the predictors, which can inflate associations through common-source bias (Meier & O'Toole, 2013; Podsakoff *et al.*, 2012). Remedies such as single-factor tests are widely regarded as inadequate (Favero & Bullock, 2015), although some scholars argue that the concern is sometimes overstated and call for a balanced approach (George & Pandey, 2017).

This article addresses those gaps with data from 163 employees of the West Java agency. It pursues three objectives: (a) to describe how employees rate competence, placement, incentives, and organizational performance; (b) to estimate the association of each lever with perceived organizational performance using partial least squares structural equation modeling (PLS-SEM), an approach suited to models with several multi-item constructs and a prediction-oriented aim (Hair *et al.*, 2019); and (c) to test whether the conclusions survive sensitivity analyses for invariant responding, indicator selection, estimator, and common-source bias. The article contributes to public-sector HRM research in three ways. It relates three HRM levers to organizational rather than individual performance. It places measurement-model diagnostics, interval estimates, and effect sizes beside sensitivity analyses that show which results are robust. And it gives managers in revenue agencies a ranked view of where the evidence is strongest. In brief, competence is robustly associated with perceived organizational performance, incentives are positively associated with it under most specifications, and the association for placement is smaller and unstable. The design is cross-sectional and perceptual, so the findings are stated as associations and not effects. Section 2 reviews the theory and develops three hypotheses, Section 3 describes the methods, Section 4 reports and discusses the results, and Section 5 concludes.

2. Literature Review

2.1 Resource-based view and human capital

The resource-based view holds that resources which are valuable, rare, inimitable, and non-substitutable can underpin sustained advantage (Barney, 1991). For organizations that sell no products, as in tax administration, the argument shifts to the capacity to convert inputs into legitimate outputs, and employees' knowledge and judgment are central to that conversion (Armstrong & Taylor, 2023). Meta-analytic evidence supports the human capital premise, since human capital relates positively to firm performance (Crook *et al.*, 2011). HRM practices appear to work by building skills and motivation, which in turn raise organizational outcomes (Jiang *et al.*, 2012), and bundles of high-performance practices have been associated with productivity and financial results (Huselid, 1995). Public organizations differ from private ones in goals and constraints, although a review of 34 studies found majority support for only three of thirteen hypothesized differences (Boyne, 2002). Transferring the HRM–performance logic to public agencies is therefore plausible but needs testing in specific settings (Andrews *et al.*, 2006; Moynihan & Pandey, 2005). Evidence also differs by level of analysis: individual-level studies show what employees do, whereas organizational-level studies show what agencies achieve, and findings do not transfer automatically from one to the other. The three levers studied here divide the work. Competence is the stock of human capital, placement determines where that stock is deployed, and incentives shape how much of it is activated; each corresponds to a mechanism with its own evidence base (Jiang *et al.*, 2012; Kristof-Brown *et al.*, 2005; Cerasoli *et al.*, 2014).

2.2 Employee competence

Competence combines knowledge, skills, motives, traits, and self-concept that are causally related to effective performance (Spencer & Spencer, 1993). For civil servants in Indonesia, competence standards distinguish technical, managerial, and socio-cultural competence (Kementerian PANRB, 2017), and this article uses those three dimensions. Technical competence covers regulatory knowledge, procedural command, and administrative accuracy; managerial competence covers integrity, cooperation, communication, results orientation, and decision making; socio-cultural competence covers sensitivity to diversity, public service, empathy, adaptability, and bureaucratic ethics. Competence should relate to organizational performance because competent employees apply regulations correctly, use systems efficiently, and answer taxpayers' queries without rework. Empirical support comes from banking, where competencies predicted organizational performance (Salman *et al.*, 2020), and from small public-sector samples (Rahmawati *et al.*, 2024; Sudrajat & Fikri, 2025). The human capital evidence points the same way (Crook *et al.*, 2011). Hypothesis 1 follows.

H1. Employee competence is positively associated with perceived organizational performance.

2.3 Employee placement

Placement is the assignment of employees to positions. Person–environment fit theory predicts that strain falls and effectiveness rises when a person's abilities match job demands (French *et al.*, 1982), and reviews have refined its dimensions and mechanisms (Edwards, 2008). In a meta-analysis, person–job fit was related to job satisfaction, organizational commitment, and performance outcomes (Kristof-Brown *et al.*, 2005). In public agencies, placement also has a merit dimension: procedural justice concerns whether decisions follow consistent and unbiased procedures (Colquitt *et al.*, 2001), so assignments perceived as free of non-professional intervention should be read as fair. For revenue agencies, rotation after a missed target makes placement salient but also disruptive. Findings are mixed. Placement lacked a significant effect when competence and motivation were also modeled (Putri & Andriani, 2024), which suggests that placement may matter mainly through competence. This article tests it as a distinct lever, measured through competence fit, merit principles, person–job fit, and perceived organizational impact. Because the last dimension describes the consequences of placement for performance, it may overlap with the outcome, a risk examined in Section 4.6.

H2. Employee placement is positively associated with perceived organizational performance.

2.4 Employee incentives

Incentives link rewards to contribution. Expectancy theory states that motivation depends on the expected link from effort to performance and from performance to valued rewards (Vroom, 1964), and a meta-analysis found that expectancy models relate to work-related criteria, although correlations with performance are modest (Van Eerde & Thierry, 1996). Reward management also stresses fairness and transparency (Armstrong & Taylor, 2023). Meta-analyses indicate that financial incentives are associated with higher performance (Garbers & Konradt, 2014) and that incentives and intrinsic motivation jointly predict performance (Cerasoli *et al.*, 2014). In the public sector, performance-related pay has produced positive results on average (George & van der Wal, 2023) against a long record of mixed evidence (Perry *et al.*, 2009), and a field experiment with tax collectors shows that revenue gains can come with unintended effects (Khan *et al.*, 2016). Perceived fairness shapes how rewards are received, and distributive and procedural justice relate to work outcomes (Colquitt *et al.*, 2001). Intrinsic rewards raised performance through motivation among 300

respondents from small and medium enterprises (Manzoor *et al.*, 2021), and small public-sector studies also report positive incentive effects (Rahmawati *et al.*, 2024; Sudrajat & Fikri, 2025). Here incentives span direct financial rewards such as performance allowances, indirect financial benefits, non-financial rewards such as recognition, promotion, and training, perceived fairness, and perceived motivational impact (Armstrong & Taylor, 2023). Because motivation is usually treated as a mechanism through which incentives work, the motivational-impact items may overlap with the outcome as well.

H3. Employee incentives are positively associated with perceived organizational performance.

2.5 Perceived organizational performance and measurement risk

Organizational performance in public agencies is multidimensional: it spans financial results, internal processes, taxpayer satisfaction, learning and growth, and accountability and governance. Because realized revenue depends on external drivers such as vehicle demand and tax design, surveys often capture employees' perceptions of performance. Perceptual measures are convenient but carry risk. When the same respondents rate predictors and outcome, associations can be inflated or spurious (Meier & O'Toole, 2013; Podsakoff *et al.*, 2012). Common remedies are weak (Favero & Bullock, 2015), whereas the severity of the problem is debated (George & Pandey, 2017). Kock (2015) proposed full-collinearity variance inflation factors as a diagnostic in partial least squares models, with values above 3.3 indicating possible common-source bias. Given these risks, this article treats results as associations among perceptions and tests how sensitive they are.

2.6 Conceptual model

The review yields a model in which three exogenous constructs, employee competence (X1), placement (X2), and incentives (X3), predict one endogenous construct, perceived organizational performance (Y), as Fig. 1 shows. The hypotheses are directional because theory and prior evidence agree on positive relationships, and Table 2 summarizes the empirical studies on which they rest, separating individual-level, organizational-level, and meta-analytic evidence. The gap is not whether these relationships exist in general, but whether they hold for organizational performance in a revenue agency, how large they are relative to one another, and how robust they are to the measurement risks described above. Relative sizes are an exploratory question rather than a hypothesis. Competence is the broadest stock and might show the largest path, placement might be partly channeled through competence (Putri & Andriani, 2024) and show the smallest, and incentives might be large where they are perceived as fair (Colquitt *et al.*, 2001).

Table 2. Empirical studies informing the hypotheses.

Study	Setting and sample	Outcome and level	Finding relevant here
Salman *et al.* (2020)	Public and private sector banks, India; 325 managerial and non-managerial employees	Organizational performance	Most competencies had positive, significant effects; self-competence had an insignificant negative effect
Rahmawati *et al.* (2024)	District communications office, Indonesia; 23 employees	Employee performance (individual)	Competence related positively to performance; incentives also examined
Sudrajat & Fikri (2025)	University asset-inventory unit, Indonesia; 30 staff	Employee performance (individual)	Competence and incentives examined, with integrity as mediator; positive effects reported
Putri & Andriani (2024)	Municipal water company, Indonesia; 222 employees	Employee performance (individual)	Competence and motivation improved performance; placement had no significant effect
Manzoor *et al.* (2021)	Small and medium enterprises; 300 respondents	Employee performance (individual)	Intrinsic rewards raised performance through motivation
Kristof-Brown *et al.* (2005)	Meta-analysis of person–environment fit studies	Individual attitudes and performance	Person–job fit related to satisfaction, commitment, and performance
Crook *et al.* (2011)	Meta-analysis of human capital studies	Firm performance (organizational)	Human capital related positively to firm performance
Jiang *et al.* (2012)	Meta-analysis of HRM studies	Organizational outcomes	HRM related to outcomes through employee skills and motivation
George & van der Wal (2023)	Meta-analysis of performance-related pay, public sector	Work outcomes	Positive on average; strength varies by setting
Khan *et al.* (2016)	Field experiment, property tax units, Punjab, Pakistan; 482 units	Tax revenue (organizational, objective)	Performance pay raised revenue; reported bribes also rose

Source: Authors' synthesis of the studies cited in the first column.

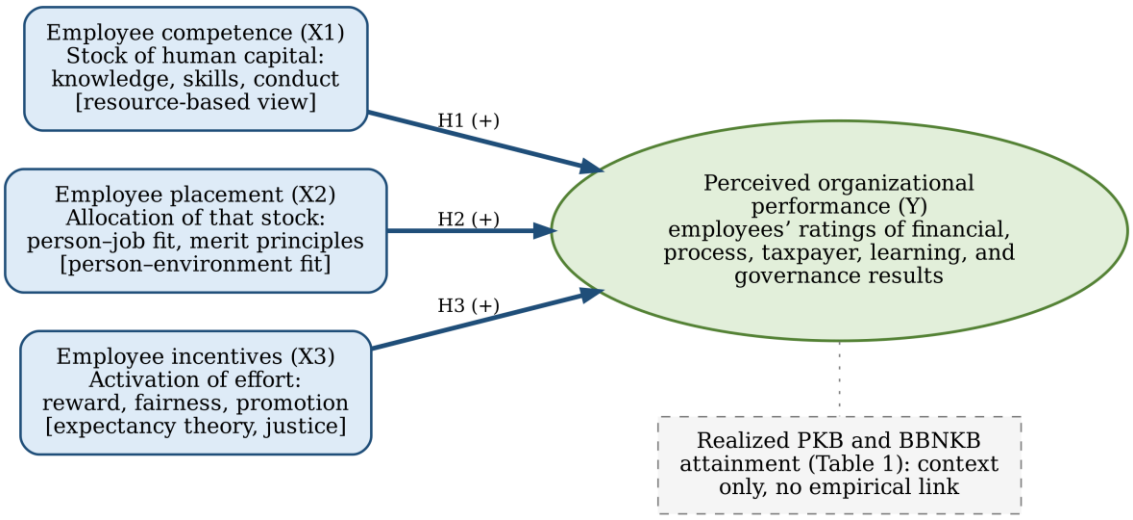


Fig. 1. Conceptual model: three human resource levers and perceived organizational performance, with realized tax attainment shown as context only.

Source: Authors' own design based on Barney (1991), French et al. (1982), and Vroom (1964). PKB = motor vehicle tax; BBNKB = motor vehicle title transfer fee.

3. Research Methods (Metode Penelitian)

3.1 Research design and workflow

This study uses a cross-sectional, quantitative survey design. Figure 2 shows the workflow. Revenue records for 2019 to 2025 are context only and do not enter the model. A 20-person scoping survey and limited interviews with a division head and colleagues informed variable selection, the literature review, and the instrument. The main questionnaire survey (*N* = 163) was screened and described before the PLS-SEM measurement model was evaluated. When indicator or validity criteria were not met, weak indicators were examined and alternative indicator sets were estimated (the dashed loop in Fig. 2). The structural model was then estimated, associations were judged by confidence intervals, and sensitivity analyses preceded interpretation.

3.2 Population, sampling, procedure, and ethics

The population was 744 civil servants and government employees at the agency in early April 2026 (agency staffing records). Proportional quota sampling by unit was planned, but quota frames and unit-level counts were not recorded, so the sample is treated as a nonprobability sample. Submission timestamps (13–14 July 2026) indicate electronic collection; the number of invitations was not recorded, so no response rate can be computed. The questionnaire stated its academic purpose and collected no names. No ethics committee review or written consent record is available for this study. The 163 analyzed respondents are 21.91% of the population (163 ÷ 744). Sample-size planning used the inverse square root method (Kock & Hadaya, 2018; Hair *et al.*, 2021), in which the minimum sample size for a two-tailed test at the 5% significance level with 80% power is

$$n_{\min} > \left(\frac{2.486}{|\beta_{\min}|}\right)^2 \quad (1)$$

where n_{min} is the minimum sample size and β_{min} is the smallest path coefficient to be detected. For β_{min} = 0.20, Equation (1) gives 155, and at *N* = 163 the smallest detectable coefficient is 0.195. This is a power calculation, not evidence of representativeness.

3.3 Instrument and measures

The questionnaire contained 59 statements rated from 1 (strongly disagree) to 5 (strongly agree); Table 10 in Appendix A lists every item. Employee competence (X1; 14 items) covers technical, managerial, and socio-cultural competence (Kementerian PANRB, 2017; Spencer & Spencer, 1993). Employee placement (X2; 14 items) covers competence fit, merit principles, person–job fit, and organizational impact (French *et al.*, 1982). Employee incentives (X3; 15 items) covers direct and indirect financial incentives, non-financial incentives, perceived fairness, and motivational impact (Armstrong & Taylor, 2023). Perceived organizational performance (Y; 16 items) covers financial performance, internal processes, taxpayer perspective, learning and growth, and accountability and governance. Each item was written for one indicator of its dimension, and all are positively worded. All four are specified as reflective first-order constructs, because the items are treated as manifestations of one perceived condition; the dimension structure was not tested. Two placement items (X2-13, X2-14) and two incentive items (X3-14, X3-15) describe consequences for performance or motivation, and two performance items (Y-12, Y-14) refer to employee competence and training, so these six items overlap in content with other constructs; Section 3.5 addresses this. Pilot testing and expert validation were not recorded. Construct scores are item means, read against descriptive bands (1.00–1.80 very low, 1.81–2.60 low, 2.61–3.40 moderate, 3.41–4.20 high, 4.21–5.00 very high).

3.4 PLS-SEM analysis

Analysis followed PLS-SEM reporting guidance (Hair *et al.*, 2019, 2021; Ringle *et al.*, 2023; Becker *et al.*, 2023). The estimates were obtained in SmartPLS (version not recorded) and verified with an independent Python implementation (path weighting scheme, Mode A, standardized indicators, no missing values, convergence tolerance 10^{-6}), which matched the SmartPLS path coefficients, R^2, effect sizes, variance inflation factors (VIF), average variance extracted (AVE), composite reliability (CR), and heterotrait–monotrait ratios (HTMT) to three decimals and generated every bootstrap interval reported below. The measurement model was judged by outer loadings (0.708 or above preferred, 0.40–0.70 examined), AVE above 0.50 (Fornell & Larcker, 1981), HTMT below 0.90 with confidence intervals (CI) excluding 1 (Henseler *et al.*, 2015), and Cronbach's α, ρ_A, and CR between 0.70 and 0.95, with higher values flagged as possible item redundancy (Hair *et al.*, 2021). The structural relations are

$$Y = \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \zeta \quad (2)$$

where Y is perceived organizational performance, X_1 to X_3 are competence, placement, and incentives, β_1 to β_3 are the path coefficients, and ζ is the residual; latent scores are standardized, so the intercept is zero. For construct j, AVE and CR are

$$\mathrm{AVE}_j = \frac{1}{K_j}\sum_{k=1}^{K_j} \lambda_{jk}^2 \quad (3)$$

$$\mathrm{CR}_j = \frac{(\sum_k \lambda_{jk})^2}{(\sum_k \lambda_{jk})^2 + \sum_k (1 - \lambda_{jk}^2)} \quad (4)$$

where λ_{jk} is the outer loading of indicator k on construct j, K_j is the number of its indicators, and $1 - \lambda_{jk}^2$ is the indicator's error variance (Fornell & Larcker, 1981; Hair *et al.*, 2021). Inner VIF values up to 5 were tolerated, and full-collinearity VIF values above 3.3 were read as a sign of possible common-source bias (Kock, 2015). The coefficient of determination (R^2) was read against the benchmark of 0.67 (Chin, 1998), and the effect size of each predictor was computed as

$$f^2 = \frac{R^2_{incl} - R^2_{excl}}{1 - R^2_{incl}} \quad (5)$$

where R^2_{incl} and R^2_{excl} are the R^2 of Y with and without the predictor; values of 0.02, 0.15, and 0.35 mark small, medium, and large effects (Cohen, 1988). Paths were bootstrapped with 10,000 resamples (seed 20261020) and percentile 95% CIs; an association was treated as supported when its CI excluded zero and its sign matched the hypothesis, and *t*-based *p* values are reported beside the intervals. Differences between paths were bootstrapped in the same way. Predictive performance was assessed with PLSpredict (ten folds, ten repetitions) against a linear-model benchmark (Shmueli *et al.*, 2019).

3.5 Sensitivity analyses

Ratings concentrate at the top of the scale, and 22 of 163 respondents (13.5%) gave one identical answer to all 59 items (18 all "strongly agree", three all "agree", and one all "neutral"). Uniform satisfaction is possible, so they were not presumed invalid; the model was estimated with and without them (n = 141). Further models removed the three indicators with loadings below 0.708, the six content-overlap indicators named in Section 3.3, or both sets. Composite-score least squares (standardized construct means) provided an estimator check, with heteroskedasticity-consistent (HC3) standard errors, a model with five controls (employment status, age band, tenure band, education level, and position type), and an exploratory bootstrap comparison of paths by employment status. Holm adjustment addressed multiplicity. These checks cannot remove common-source bias.

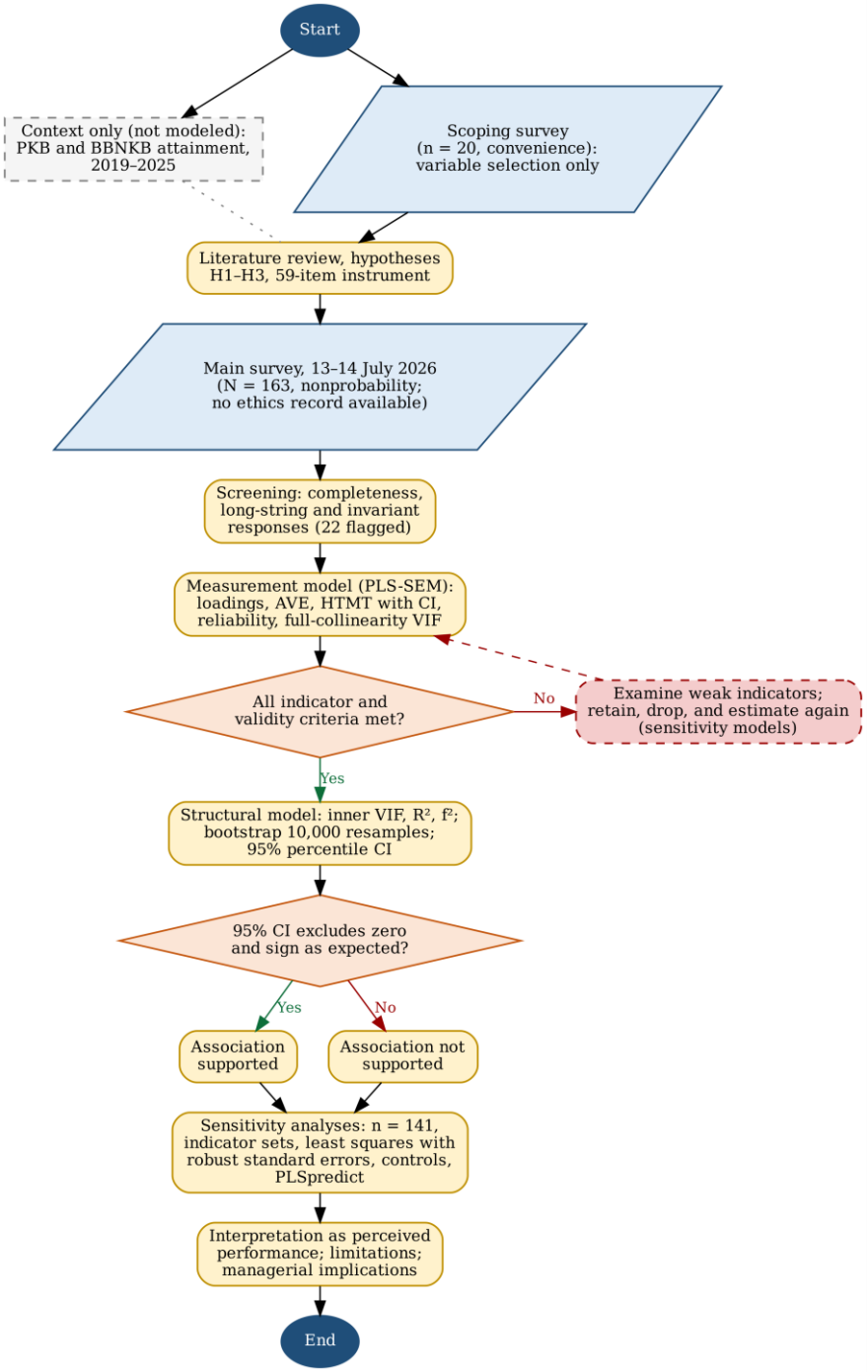


Fig. 2. Research workflow from data sources to interpretation, including the indicator-review loop and the sensitivity analyses.

Source: Authors' own design. PKB = motor vehicle tax; BBNKB = motor vehicle title transfer fee; AVE = average variance extracted; HTMT = heterotrait–monotrait ratio; VIF = variance inflation factor; CI = confidence interval.

4. Results and Discussions

4.1 Scoping survey: why these three levers

Figure 3 summarizes the 20-person scoping survey, which was used to select variables and does not estimate effects. Respondents rated ten factors by an index of the maximum possible score: competence ranked first (93), placement second (91), and incentives third (86),

ahead of motivation (82), inter-unit coordination (80), organizational culture (79), leadership (77), discipline (73), workload (71), and facilities and technology (70). They then flagged problems on nine indicators of the three leading factors, making 91 flags in total. Fairness of incentive distribution was flagged by 19 respondents (95%) and alignment of incentives with contribution by 15 (75%), together 37.4% of all flags. Because respondents could flag several indicators, the percentages of respondents do not sum to 100%, and the cumulative line is a share of flags. The respondents were superiors and colleagues of the researcher, so the pattern reflects a reachable group and not the agency, and these flags come from different people and a different instrument than the main survey (Section 4.7).

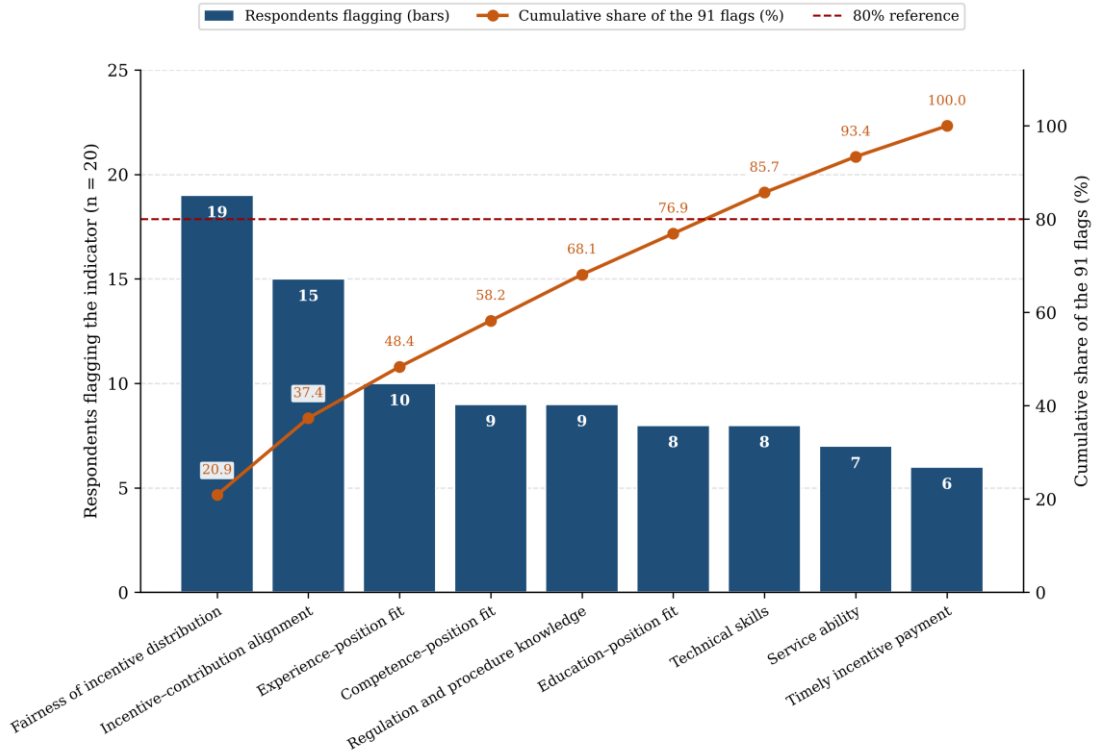


Fig. 3. Pareto chart of problem indicators flagged by 20 scoping-survey respondents (91 flags in total), with the cumulative share of flags.

Source: Authors' scoping-survey data.

4.2 Respondent profile

Table 3 profiles the 163 respondents of the main survey, whose submissions were recorded on 13 July 2026 (162 respondents) and 14 July 2026 (one). Most were men (132; 81.0%) and aged 46–59 years (88; 54.0%). Civil servants (81; 49.7%) and government employees with work agreements (82; 50.3%) were almost equal in number. Staff in implementing posts formed 76.1% of the sample (124 respondents), and 55.2% (90) had more than ten years of service. A bachelor's degree or higher was held by 111 respondents (68.1%), including 43 (26.4%) with postgraduate degrees. Respondents are thus experienced and well educated, which supports their ability to judge organizational conditions, but the sample is male-dominated and weighted toward older and long-tenured staff. Population profiles by gender, age, or unit were not available, so no comparison with the population and no weighting were possible, and because unit membership was not recorded, clustering of employees within units could not be modeled.

Table 3. Profile of respondents (N = 163).

Characteristic	Category	*n*	%

Characteristic	Category	*n*	%
Gender	Male	132	81.0
	Female	31	19.0
Age (years)	20–29	7	4.3
	30–45	68	41.7
	46–59	88	54.0
Employment status	Civil servant	81	49.7
	Government employee with work agreement	82	50.3
Position	Staff or implementer	124	76.1
	Functional position	19	11.7
	Coordinator or supervisor	17	10.4
	Agency or division leader	3	1.8
Tenure (years)	Less than 1	18	11.0
	1–3	33	20.2
	More than 3 to 6	10	6.1
	More than 6 to 10	12	7.4
	More than 10	90	55.2
Education	Senior high school or below	36	22.1
	Diploma	16	9.8
	Bachelor's degree	68	41.7
	Master's or doctoral degree	43	26.4

Source: Authors' survey data. Education categories are condensed by the authors (junior and senior high: 1 + 35; master's and doctoral: 40 + 3). One respondent selected two adjacent age bands and is counted in 30–45 years.

4.3 Descriptive results

Table 4 summarizes the four constructs. Competence had the highest mean (4.534, standard deviation [SD] = 0.637), followed by performance (4.406, SD = 0.646), incentives (4.343, SD = 0.743), and placement (4.330, SD = 0.652), and all four fall in the very high band. The distributions are strongly left-skewed (skewness −1.85 for performance and −2.88 for competence), a ceiling effect that restricts variance and may attenuate or distort estimated relationships. Very high scores were given by 127 respondents for competence, 99 for placement, 102 for incentives, and 106 for performance, while 6, 11, 18, and 12 respondents, respectively, scored at or below the moderate band (3.40). Screening found no missing values; 22 respondents gave identical answers to all items, and 54 respondents (33.1%) gave 30 or more identical consecutive answers.

Table 4. Descriptive statistics of the four constructs (five-point scale, N = 163).

Construct	Mean (SD)	Very high, *n* (%)	Moderate or below, *n* (%)	Skewness (excess kurtosis)
Competence (X1)	4.534 (0.637)	127 (77.9)	6 (3.7)	−2.88 (12.05)
Placement (X2)	4.330 (0.652)	99 (60.7)	11 (6.7)	−1.38 (3.59)
Incentives (X3)	4.343 (0.743)	102 (62.6)	18 (11.0)	−1.57 (3.14)
Performance (Y)	4.406 (0.646)	106 (65.0)	12 (7.4)	−1.85 (5.41)

Source: Authors' survey data; counts, skewness, and kurtosis computed by the authors. SD = standard deviation. Very high = construct mean of 4.21 or above; moderate or below = 3.40 or below.

At the dimension level (Fig. 4), means ranged narrowly from 4.219 (merit principles in placement) to 4.610 (socio-cultural competence). The weakest indicators were administrative accuracy (4.018) for competence, consideration of qualifications in placement (4.086), promotion opportunity (4.098) for incentives, and target attainment (4.135) for performance, and all remain in the high band. The 95% intervals in Fig. 4 overlap for most dimensions, so ranking them would overstate small differences; the dashed line marks the lower bound of the descriptive very high band and is not an empirical quality threshold. High ratings of organizational performance (4.406) also sit beside realized attainment below target in 2025 (Table 1). The two are juxtaposed descriptively and are not linked at the level of individuals or units: the ratings capture perceived organizational performance, which need not track realized revenue.

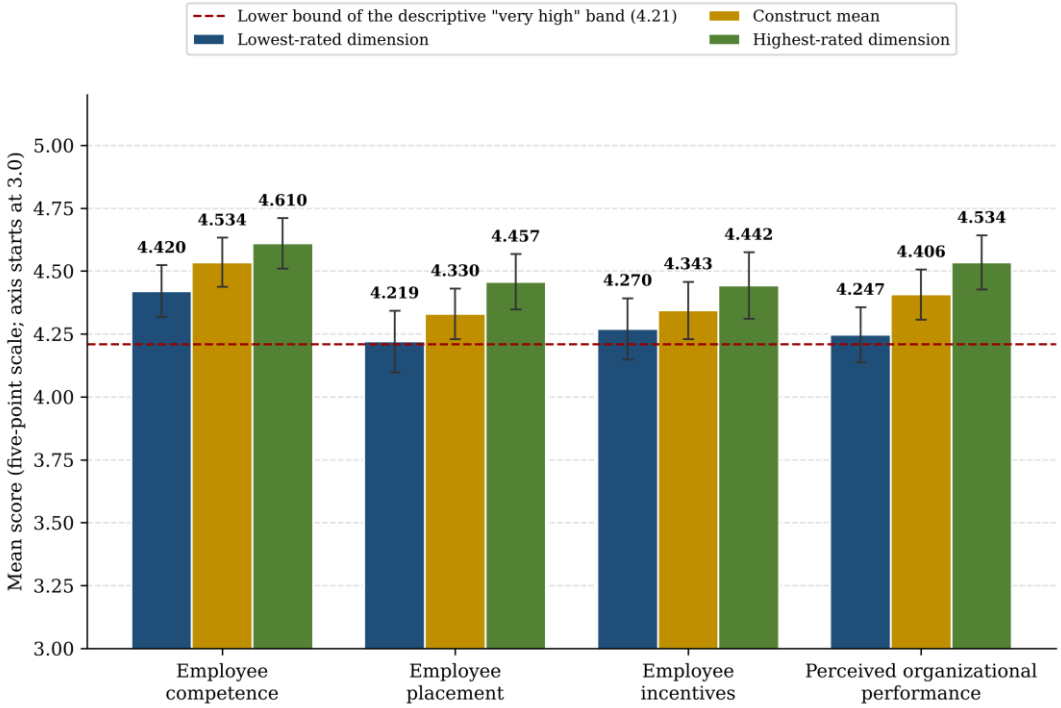


Fig. 4. Mean scores of each construct's lowest-rated dimension, construct, and highest-rated dimension, with 95% confidence intervals.

Source: Authors' computation from item-level survey data.

4.4 Measurement model

Table 5 reports the measurement model. Of the 59 outer loadings, 56 lie between 0.717 and 0.923, but three fall below the 0.708 guide: "the documents I prepare follow the

prescribed format and requirements" in competence (0.660), "my latest field of education is the same as the field of my current position's duties" in placement (0.654), and "realized regional own-source revenue this year is higher than in the year before" in performance (0.684). All three exceed 0.40 and AVE is above 0.50 for every construct (0.623–0.754), so the indicators were retained in the main model and tested in Section 4.6. These items are more factual than attitudinal, whereas the strongest loading (0.923) belongs to "the amount of my position allowance is commensurate with the responsibilities of my position" (X3-7). Cronbach's α (0.953–0.974), ρ_A (0.958–0.976), and CR (0.958–0.977) all exceed 0.95. Average inter-item correlations are 0.59 to 0.73, and 26.4% of competence item pairs correlate above 0.80, so item redundancy is plausible. Rather than deleting items mechanically, Section 4.6 reports models without the weakest and the most overlapping items.

Table 5. Measurement model: convergent validity and reliability.

Construct	Loading range	AVE	α	ρ_A	CR
Competence (14)	0.660–0.916	0.754	0.974	0.976	0.977
Placement (14)	0.654–0.876	0.623	0.953	0.958	0.958
Incentives (15)	0.748–0.923	0.689	0.967	0.970	0.971
Performance (16)	0.684–0.895	0.701	0.971	0.973	0.974

Source: Authors' survey data; loadings computed by the authors from item-level data (Table 10). Number of items in parentheses. Three loadings (competence 0.660, placement 0.654, performance 0.684) are below 0.708. AVE = average variance extracted; α = Cronbach's alpha; ρA = reliability coefficient rho A; CR = composite reliability (ρc).

Table 6 reports HTMT. All six point estimates lie below 0.90, but three are close: placement and performance (0.896, a margin of 0.004), competence and placement (0.879), and competence and performance (0.876). Every upper confidence limit is below 1, so the constructs are distinguishable, but five of the six upper limits exceed 0.90 (placement and performance: [0.817, 0.947]), so a clear margin below the strict cut-off is not demonstrated. Full-collinearity VIFs were 4.70 for competence, 5.51 for placement, 3.33 for incentives, and 6.37 for performance, all above the 3.3 benchmark (Kock, 2015). Respondents therefore appear to perceive the constructs as closely related, and measurement is adequate by threshold but probably inflated by shared perceptions and repeated items.

Table 6. Discriminant validity: heterotrait–monotrait ratio (HTMT).

Construct pair	HTMT	95% CI	Margin to 0.90
Placement – Performance	0.896	[0.817, 0.947]	0.004
Competence – Placement	0.879	[0.810, 0.933]	0.021
Competence – Performance	0.876	[0.772, 0.939]	0.024
Incentives – Performance	0.837	[0.685, 0.942]	0.063
Placement – Incentives	0.806	[0.650, 0.921]	0.094
Competence – Incentives	0.715	[0.548, 0.853]	0.185

Source: Authors' analysis; percentile CIs from 10,000 bootstrap resamples. Pairs are sorted by HTMT; the margin is 0.90 minus the point estimate.

4.5 Structural model

Collinearity was acceptable but not comfortable. Inner VIFs were 3.77 for competence, 5.00 for placement (unrounded 4.9965), and 2.64 for incentives, so placement sat at the tolerance limit, consistent with its overlap with competence (HTMT = 0.879). The model explained 84.3% of the variance in perceived organizational performance (R^2 = 0.843, 95% CI

[0.763, 0.916]; adjusted R^2 = 0.840), above the 0.67 benchmark (Chin, 1998), although this in-sample value is probably inflated by the shared source.

Table 7 and Fig. 5 show the paths. Competence had the largest coefficient (β = 0.383, bootstrap standard error [SE] = 0.101, 95% CI [0.189, 0.581], t = 3.81, p < 0.001; H1), followed by incentives (β = 0.327, [0.136, 0.621], t = 2.54, p = 0.011; H3) and placement (β = 0.284, [−0.005, 0.503], t = 2.15, p = 0.031; H2). The intervals for H1 and H3 exclude zero, so those hypotheses are supported. For H2 the t-based p value is below 0.05, but the percentile interval includes zero and the empirical bootstrap p value is 0.054, so support is borderline. Holm-adjusted p values were < 0.001 (H1), 0.022 (H3), and 0.031 (H2). In standardized terms, a respondent who rates competence one standard deviation higher is associated with a perceived-performance score 0.383 standard deviations higher, holding the other two constructs constant. Because the data are cross-sectional and perceptual, these are conditional associations and not estimates of what would happen if the agency changed one lever.

Table 7. Structural model results (10,000 bootstrap resamples).

Hypothesis and path	β (SE)	t; p	95% CI of β	f^2 [95% CI]
H1: Competence → Performance	0.383 (0.101)	3.81; < 0.001	[0.189, 0.581]	0.248 [0.061, 0.626]
H2: Placement → Performance	0.284 (0.132)	2.15; 0.031	[−0.005, 0.503]	0.103 [0.001, 0.401]
H3: Incentives → Performance	0.327 (0.129)	2.54; 0.011	[0.136, 0.621]	0.258 [0.057, 0.948]

Source: Authors' analysis; bootstrap standard errors, t values, p values, and intervals. SE = bootstrap standard error; CI = percentile confidence interval. p values are two-tailed from the normal distribution, and t values are computed from unrounded estimates. Bootstrap SE from SmartPLS: 0.099, 0.132, and 0.129 for H1 to H3. Inner VIF: 3.77, 5.00, 2.64. R^2 of Y = 0.843 (95% CI [0.763, 0.916]; adjusted 0.840).

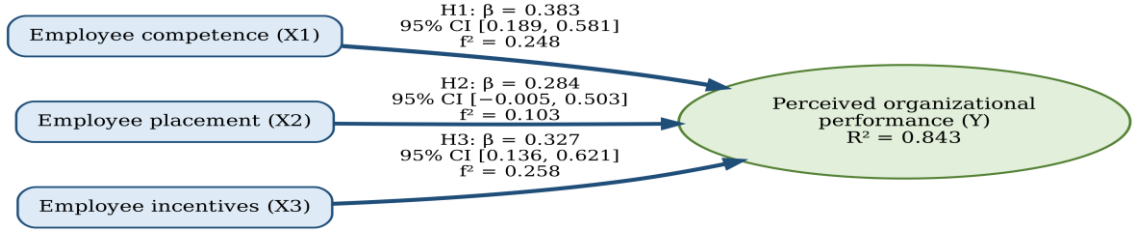


Fig. 5. Simplified structural path diagram (measurement models omitted) with path coefficients, 95% confidence intervals, and effect sizes.

Source: Authors' diagram of the estimates in Table 7.

Figure 6 sets the paths beside effect sizes. Incentives (f^2 = 0.258) and competence (f^2 = 0.248) have medium effects and placement (f^2 = 0.103) a small one, but the intervals are wide (placement [0.001, 0.401]; incentives [0.057, 0.948]), so the conventional guide values classify imprecisely. The order by β and by f^2 differs for competence and incentives because f^2 reflects the unique variance each predictor adds once the others are in the model. Differences between paths were small relative to their uncertainty (competence minus placement 0.099, 95% CI [−0.257, 0.516]; competence minus incentives 0.055, [−0.361, 0.371]; incentives minus placement 0.043, [−0.320, 0.582]), so the ranking of the three levers by point estimate is not statistically established. PLSpredict supports out-of-sample accuracy: $Q^2_{predict}$ was positive for all 16 performance indicators (0.343–0.705), and PLS-SEM had lower prediction error than the linear benchmark for all 16 (Shmueli *et al.*, 2019). Predictors and outcome share a source, however, and R^2 is not the share of realized PKB or BBNKB revenue that employees explain.

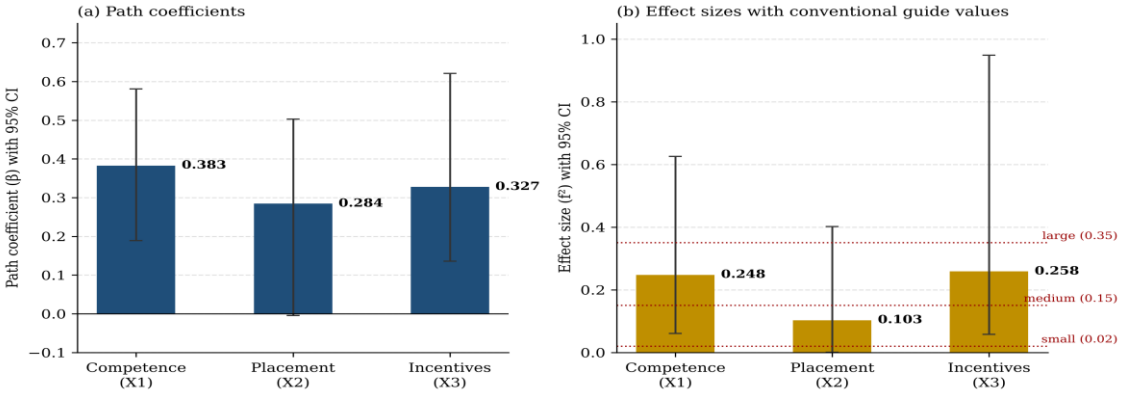


Fig. 6. Path coefficients (a) and effect sizes (b) of the three predictors, with 95% confidence intervals; guide values apply to effect sizes only.

Source: Authors' plot of the estimates in Table 7; guide values from Cohen (1988).

4.6 Sensitivity analyses

Table 8 compares the main estimates with seven alternatives. Competence is stable: its coefficient ranges from 0.373 to 0.467 and its interval excludes zero in every PLS-SEM and least-squares specification (HC3 $p < 0.001$). Incentives are positive in every specification (0.322–0.358 in PLS-SEM) with intervals that exclude zero, but with HC3 standard errors the least-squares coefficient had $p = 0.087$ ($p = 0.091$ for $n = 141$). The residuals are heteroskedastic (Koenker test $p < 0.001$) and 13 observations have Cook's distance above $4/n$, so inference for incentives depends on the variance estimator. Placement is the fragile construct: its interval includes zero with all respondents, without the 22 invariant respondents ([−0.029, 0.496]), in composite-score least squares ([−0.016, 0.479]), and when the six content-overlap indicators are removed (β = 0.170, [−0.102, 0.402]). It excludes zero only when the three weakest indicators are removed (β = 0.300, [0.020, 0.517]). The fall from 0.284 to 0.170 suggests that part of the placement association comes from items that describe placement's consequences for performance and therefore overlap with the outcome.

Table 8. Sensitivity of the structural estimates to sample, indicator set, estimator, and controls (β with 95% CI).

Specification	Competence	Placement	Incentives	R^2
PLS-SEM, all respondents (N = 163)	0.383 [0.189, 0.581]	0.284 [−0.005, 0.503]	0.327 [0.136, 0.621]	0.843
PLS-SEM, invariant respondents removed (n = 141)	0.391 [0.176, 0.596]	0.271 [−0.029, 0.496]	0.329 [0.138, 0.622]	0.821
PLS-SEM, three indicators with loadings below 0.708 removed	0.373 [0.177, 0.570]	0.300 [0.020, 0.517]	0.322 [0.126, 0.616]	0.845
PLS-SEM, six content-overlap indicators removed	0.467 [0.247, 0.666]	0.170 [−0.102, 0.402]	0.358 [0.169, 0.651]	0.838
PLS-SEM, both indicator sets removed	0.464 [0.237, 0.662]	0.178 [−0.088, 0.414]	0.354 [0.162, 0.650]	0.837
Composite-score least squares (N = 163)	0.395 [0.208, 0.596]	0.275 [−0.016, 0.479]	0.324 [0.122, 0.638]	0.833
Composite-score least squares (n = 141)	0.404 [0.201, 0.618]	0.261 [−0.049, 0.472]	0.325 [0.121, 0.643]	0.807
Composite-score least squares with five controls (N = 163)	0.392 [0.201, 0.593]	0.259 [−0.048, 0.472]	0.349 [0.142, 0.690]	0.837

Source: Authors' analysis of the item-level survey responses; the first row is from Table 7. Coefficients are standardized; intervals are percentile intervals from 10,000 bootstrap

resamples. Indicator sets: three loadings below 0.708 (X1-4, X2-1, Y-2); six content-overlap items (X2-13, X2-14, X3-14, X3-15, Y-12, Y-14). PLS-SEM = partial least squares structural equation modeling.

Removing the 22 invariant respondents lowered R^2 from 0.843 to 0.821 and changed neither the signs nor the rank order of the coefficients. Adding employment status, age, tenure, education, and position as controls left the coefficients almost unchanged (0.392, 0.259, 0.349), and none of the controls was significant at the 5% level. Raw scores differed by status: civil servants rated all four constructs higher than employees with work agreements (competence 4.690 vs 4.380; placement 4.468 vs 4.193; incentives 4.619 vs 4.071; performance 4.569 vs 4.246; Mann–Whitney p = 0.006, 0.023, < 0.001, and 0.003), with the largest gap for incentives. Even so, path coefficients did not differ materially between civil servants (n = 81) and employees with work agreements (n = 82): the differences were 0.130 for competence, −0.31 for placement, and 0.089 for incentives, all with intervals that include zero, although subgroup estimates are imprecise and measurement invariance was not tested. Taken together, the checks show that competence is robust to estimator, sample, and indicator choices, incentives are robust except to heteroskedasticity-consistent standard errors, and placement is not robust. None of them addresses common-source bias.

4.7 Discussion of hypotheses

Competence is the most robust correlate of perceived organizational performance (H1). The result agrees with evidence from banking that competencies predict organizational performance (Salman *et al.*, 2020), with small public-sector samples (Rahmawati *et al.*, 2024; Sudrajat & Fikri, 2025), and with the meta-analytic link between human capital and firm performance (Crook *et al.*, 2011). In the terms of Jiang *et al.* (2012), competence is a skill-enhancing input, and the RBV reading is that skilled employees are an internal resource which the agency can convert into accurate processing and service (Barney, 1991). The mechanism is concrete here, because service-center staff use regulatory knowledge, procedural command, and administrative accuracy daily. The weakest competence indicator, document accuracy (X1-4, “the documents I prepare follow the prescribed format and requirements”; mean 4.018), also had the weakest loading (0.660), so document accuracy is both the least uniformly high part of competence and the least representative of the construct; it is a natural target for training because errors in registration and payment records generate rework.

Placement shows the smallest and least stable association (H2). The point estimate is consistent with person–job fit theory (French *et al.*, 1982; Kristof-Brown *et al.*, 2005), but its interval includes zero in most specifications, and the coefficient falls to 0.170 when indicators that describe the consequences of placement are removed. Three features of the data help explain this: placement overlaps with competence (HTMT = 0.879) and with performance (0.896), its inner VIF is at the limit (5.00), and its standard error is large. The null finding of Putri and Andriani (2024), in which placement was not significant when competence and motivation were modeled, is therefore not contradicted. Placement may matter mainly because it puts competent people in suitable posts, so its unique contribution is small. Consideration of qualifications and competence in placement (X2-7; 4.086) was the lowest indicator in this construct and merit principles (4.219) the lowest dimension; if employees doubt that placement follows qualifications and written criteria, the fairness benefits of fit (Colquitt *et al.*, 2001) may be muted. This interpretation is conjecture that the present data cannot test, and the evidence does not justify putting placement reform ahead of competence or incentives.

Incentives are positively associated with perceived organizational performance (H3) and show the largest effect size, but also the widest interval. The result is consistent with expectancy theory (Vroom, 1964; Van Eerde & Thierry, 1996) and with meta-analytic evidence

on financial incentives and on incentives combined with intrinsic motivation (Cerasoli *et al.*, 2014; Garbers & Konradt, 2014). Evidence on performance-related pay in the public sector is positive on average (George & van der Wal, 2023) but not guaranteed (Perry *et al.*, 2009), and in tax collection a field experiment found higher revenue accompanied by higher reported bribes (Khan *et al.*, 2016); the present data cannot speak to such unintended effects. In this agency incentives are tied to PKB and BBNKB collection, which makes the link between collection and reward visible to staff. The association should be read with care because it depends on the variance estimator (Section 4.6) and because the construct includes motivational-impact items. Perceived fairness is the open question. In the scoping survey, 19 of 20 respondents flagged fairness of distribution, whereas in the main survey the two fairness indicators scored 4.288 (distributive) and 4.258 (procedural) and the fairness dimension had the widest spread of any dimension (SD = 0.923). The two sources differ in sample, size, and instrument, so they do not contradict each other, but together they suggest that views on fairness are more divided than the means indicate. Promotion opportunity (4.098) and the performance allowance (4.160) were the weakest incentive indicators.

The results also bear on theory. A simple reading of the RBV would predict that every people-related lever adds performance in proportion to its quality. The data suggest a more layered picture: competence keeps its association across specifications, incentives keep theirs under most, and the unique contribution of placement shrinks once competence is in the model and overlapping items are removed, as one would expect if fit operates largely through capability. This does not refute person–job fit theory. It indicates that, in an agency where employees already rate fit highly, the marginal information in placement is limited, and that tests of fit should model competence and fairness at the same time.

These results describe perceptions. Employees rated performance very high (4.406) in a setting where realized attainment fell short in 2020, in 2023 (BBNKB only), and in 2025 (Table 1), so the model explains how employees see the agency, not why revenue targets were missed. External shocks, including the *opsen* scheme, lie outside the model, and management matters for performance in public agencies (Moynihan & Pandey, 2005) in ways that the present design cannot size for realized revenue.

4.8 Managerial implications

Table 9 turns the findings into proposals and keeps tested associations apart from descriptive diagnoses. Because the design is cross-sectional and perceptual, the proposals are hypotheses for evaluation and not demonstrated effects, and each is paired with an indicator by which the agency could judge it. Training and certification should start with administrative accuracy, where the weakest competence indicator sits. Incentive reform should concentrate on transparent criteria and promotion paths, because fairness is where the scoping survey and the main survey diverge, and the effect of fairness has not been tested directly. Placement and rotation decisions should be documented and explained, which costs little and addresses the lowest-rated placement indicator, but they should not be expected to deliver performance gains on their own. Target setting should separate what employees can influence from what the *opsen* scheme and vehicle demand determine. A simple routine would repeat the survey each year, report confidence intervals rather than means alone, and link ratings to unit-level attainment, so that the agency learns whether changes in training, placement, and incentives are reflected in how employees rate the organization and in realized results.

Table 9. Findings and proposed actions to be evaluated.

Construct	Tested association and descriptive diagnosis	Proposed action	Indicator for evaluation	Source
Competence	Tested: β = 0.383 [0.189, 0.581]; stable across specifications. Diagnosis: weakest indicator is administrative accuracy (4.018).	Training and certification, starting with document accuracy	Error rate in registration and payment records; item X1-4	Tables 7, 8, 4
Placement	Tested: β = 0.284 [−0.005, 0.503]; fragile. Diagnosis: lowest indicator is consideration of qualifications in placement (X2-7; 4.086).	Publish placement criteria; do not rely on placement alone	Item X2-7 and the merit dimension in an annual survey	Tables 7, 8, 4
Incentives	Tested: β = 0.327 [0.136, 0.621]; sensitive to the variance estimator. Diagnosis: weakest indicator is promotion opportunity (4.098); fairness flagged by 19 of 20 scoping respondents.	Publish incentive criteria, clarify promotion paths, and monitor fairness	Fairness dimension mean and spread; item X3-9	Tables 7, 8, 4
Performance	Tested: R^2 = 0.843 (perceptions only). Diagnosis: weakest indicator is target attainment (4.135); realized 2025 attainment was 92.02% (PKB) and 81.65% (BBNKB).	Track perceived and realized performance together by service-center unit	Unit-level attainment linked to survey ratings	Tables 1, 7, 4

Source: Authors' synthesis of Tables 7 and 8. Tested associations are cross-sectional and perceptual; actions are proposals for evaluation, not demonstrated effects. PKB = motor vehicle tax; BBNKB = motor vehicle title transfer fee.

4.9 Limitations and future research

Several limitations qualify the results. First, the study covers one agency at one point in time, so findings cannot be generalized and do not establish causal order. Second, performance is measured by employee perception and predictors and outcome share a source; all full-collinearity VIFs exceed 3.3, so common-source bias cannot be dismissed (Podsakoff *et al.*, 2012), and neither the sensitivity analyses nor a single-factor test (first factor 59.4% of variance) remove it. Third, ratings are concentrated near the top of the scale, α and CR exceed 0.95, three loadings are below 0.708, and several HTMT values approach 0.90, which points to redundant or overlapping items; six items overlap in content with other constructs, and item development, pilot testing, and expert validation were not documented. Fourth, the sample is a nonprobability sample of 21.91% of the population with no response rate, no unit identifiers, and no population benchmarks, and the scoping survey is a convenience sample of the researcher's superiors and colleagues, whose closeness may have shaped answers. Fifth, no ethics committee review or written consent record is available. Sixth, all items are positively worded, so a tendency to agree may add to the high scores. Seventh, the constructs are specified as first-order reflective, the dimension structure and measurement invariance across employment statuses were not tested, and the PLS-SEM

estimates rest on the authors' Python implementation matched to the SmartPLS output. Eighth, the instrument did not specify a reference period for the performance items, and no objective revenue data were linked to survey responses.

Future studies should link survey data to objective measures, such as attainment by service-center unit, collect predictors and outcome from different sources or waves, model employees within units, and compare several provinces. They should also validate the instrument, test higher-order and mediating structures, such as motivation (Manzoor *et al.*, 2021), and report predictive performance alongside explanatory fit (Shmueli *et al.*, 2019).

5. Conclusion

This article asked how employee competence, placement, and incentives relate to perceived organizational performance in the West Java Regional Revenue Agency. Employees rated all four constructs very high (means 4.330–4.534), with the weakest indicators in the high band: administrative accuracy, qualification-based placement, promotion opportunity, and target attainment. In the PLS-SEM model, competence (β = 0.383, 95% CI [0.189, 0.581]) and incentives (β = 0.327, [0.136, 0.621]) were positively associated with performance, and placement (β = 0.284, [−0.005, 0.503]) was borderline; the model explained 84.3% of the variance in perceived organizational performance. Incentives (f^2 = 0.258) and competence (f^2 = 0.248) had medium effects, and placement (f^2 = 0.103) a small one, but differences among the three paths are not statistically established.

The sensitivity analyses give a two-layer conclusion. Competence is robust: its coefficient stayed between 0.373 and 0.467 with intervals above zero across samples, indicator sets, and estimators. Incentives are positive in every specification but depend on the variance estimator. Placement is provisional: its interval includes zero in most specifications and its coefficient falls to 0.170 when indicators overlapping with the outcome are removed. For managers, the evidence favors investment in competence, especially administrative accuracy, and in transparent, fair incentives and promotion paths, with placement decisions documented and communicated but not relied on alone, and with each action evaluated against indicators.

The findings concern perceptions in one agency at one time. Predictors and outcome came from the same respondents, ratings sat near the ceiling, and measures were highly collinear, so the associations are probably overstated and should not be read as the effect of HRM on realized tax revenue. Future research should combine objective revenue data with multi-source or longitudinal survey designs across several provinces.

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Author contributions. Arief Widianto: Conceptualization, Methodology, Investigation, Formal analysis, Data curation, Visualization, Writing (original text), Writing (review and editing). Nina Nurani: Supervision.

Ethics statement. The survey was anonymous, collected no names, and opened with an explanation of its academic purpose. No institutional ethics committee approval or written informed-consent record is available for this study.

Conflict of interest. The authors declare no conflict of interest.

Data availability. Item-level statistics and loadings are reported in Table 10. The item-level responses (163 respondents, 59 items) are available from the authors on reasonable request, together with the Python code used for the bootstrap, PLSpredict, and sensitivity analyses.

Table 10 lists the 59 questionnaire items in the order in which they appeared, with the outer loading of each item and its bootstrap interval. The statements were translated from Indonesian by the authors.

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Appendix A. Questionnaire Items

Table 10 - Questionnaire items, outer loadings, and item statistics.

Item	Statement (English translation)	Loading [95% CI]	Mean (SD); % rating 5
X1-1	I can name the regulations that underlie the duties of my position.	0.894 [0.799, 0.939]	4.57 (0.73); 66%
X1-2	I refer to the SOP when carrying out my routine tasks.	0.912 [0.822, 0.951]	4.64 (0.67); 70%

Item	Statement (English translation)	Loading [95% CI]	Mean (SD); % rating 5
X1-3	I complete the technical tasks of my position with the expertise I currently have.	0.815 [0.704, 0.892]	4.45 (0.76); 58%
X1-4	The documents I prepare follow the prescribed format and requirements.	0.660 [0.498, 0.783] †	4.02 (0.96); 34%
X1-5	I carry out my duties in the same way whether or not my superior is supervising.	0.895 [0.783, 0.941]	4.67 (0.69); 75%
X1-6	I cooperate with colleagues from other fields in completing tasks.	0.897 [0.813, 0.940]	4.59 (0.72); 68%
X1-7	I convey work information to colleagues or superiors, in writing or orally.	0.891 [0.811, 0.933]	4.49 (0.78); 61%
X1-8	My individual performance target for the latest assessment period has been achieved.	0.896 [0.802, 0.941]	4.61 (0.74); 70%
X1-9	I make decisions related to my tasks within the set time limits.	0.801 [0.686, 0.879]	4.39 (0.78); 53%
X1-10	I serve members of the public from various backgrounds (ethnicity, religion, social status) with the same procedures.	0.871 [0.764, 0.928]	4.65 (0.68); 73%
X1-11	I refer to the applicable service standards when serving the public.	0.913 [0.833, 0.950]	4.63 (0.71); 71%
X1-12	I know the main needs of the public served by my work unit.	0.876 [0.790, 0.929]	4.52 (0.76); 64%
X1-13	When regulations related to my tasks change, I change the way I work.	0.885 [0.804, 0.933]	4.55 (0.70); 63%
X1-14	I refer to the civil service code of ethics when facing situations that require ethical judgment.	0.916 [0.833, 0.951]	4.70 (0.68); 77%
X2-1	My latest field of education is the same as the field of my current position's duties.	0.654 [0.496, 0.789] †	4.17 (0.94); 45%
X2-2	The duties of my current position use the technical competence I have.	0.795 [0.682, 0.872]	4.33 (0.82); 50%
X2-3	My work experience before this position is related to the duties of my current position.	0.774 [0.626, 0.871]	4.52 (0.76); 64%

Item	Statement (English translation)	Loading [95% CI]	Mean (SD); % rating 5
X2-4	The training I have attended is related to the duties of my current position.	0.792 [0.693, 0.873]	4.29 (0.83); 50%
X2-5	Position placement in my agency refers to written criteria.	0.805 [0.719, 0.874]	4.21 (0.91); 48%
X2-6	I know the stages and criteria of position placement in my agency.	0.744 [0.630, 0.829]	4.29 (0.86); 50%
X2-7	Employees' qualifications and competence are considered in position placement.	0.738 [0.624, 0.819]	4.09 (0.96); 40%
X2-8	Employees' performance results are considered in position placement.	0.780 [0.654, 0.864]	4.29 (0.85); 48%
X2-9	The tasks I do daily are listed in my job description.	0.864 [0.805, 0.908]	4.37 (0.78); 52%
X2-10	The amount of work I receive can be completed within normal working hours.	0.717 [0.574, 0.831]	4.31 (0.91); 53%
X2-11	If given the chance to choose again, I would choose my current position.	0.811 [0.725, 0.876]	4.32 (0.78); 49%
X2-12	I can adjust to the demands of my current position.	0.833 [0.759, 0.890]	4.52 (0.72); 61%
X2-13	My placement in my current position affects my performance.	0.876 [0.828, 0.915]	4.45 (0.75); 57%
X2-14	Employee placement in my work unit affects the effectiveness of the work unit.	0.841 [0.763, 0.896]	4.46 (0.76); 57%
X3-1	The performance allowance I receive changes with my performance achievement.	0.748 [0.609, 0.845]	4.16 (1.04); 50%
X3-2	The additional income I receive affects my work motivation.	0.855 [0.775, 0.912]	4.49 (0.86); 66%
X3-3	High-performing employees in my work unit receive larger incentives than other employees.	0.841 [0.750, 0.902]	4.39 (0.87); 56%
X3-4	Incentives are paid according to the set schedule.	0.851 [0.771, 0.907]	4.47 (0.82); 63%
X3-5	The work facilities available match the needs of my task execution.	0.823 [0.736, 0.892]	4.39 (0.90); 56%
X3-6	The social security I receive matches my needs.	0.808 [0.697, 0.905]	4.46 (0.74); 58%

Item	Statement (English translation)	Loading [95% CI]	Mean (SD); % rating 5
X3-7	The amount of my position allowance is commensurate with the responsibilities of my position.	0.923 [0.874, 0.953]	4.28 (0.87); 49%
X3-8	My superior gives feedback (praise or input) on my work results.	0.793 [0.678, 0.889]	4.35 (0.81); 53%
X3-9	Promotion opportunities in my agency are given on the basis of employee performance.	0.760 [0.642, 0.855]	4.10 (1.03); 42%
X3-10	In the last two years I attended training organized or facilitated by the agency.	0.889 [0.831, 0.930]	4.27 (0.90); 48%
X3-11	Working-environment conditions (space, atmosphere, relations among employees) affect my performance.	0.834 [0.716, 0.912]	4.36 (0.92); 55%
X3-12	Differences in incentive amounts among employees in my work unit follow differences in contribution.	0.884 [0.820, 0.930]	4.29 (0.94); 53%
X3-13	I know how incentive amounts are determined in my agency.	0.777 [0.621, 0.896]	4.26 (0.99); 52%
X3-14	The incentives I receive affect my enthusiasm for work.	0.820 [0.708, 0.899]	4.41 (0.89); 60%
X3-15	The incentives I receive affect my work productivity.	0.821 [0.715, 0.890]	4.47 (0.88); 64%
Y-1	Realized regional own-source revenue in the last year reached the set target.	0.781 [0.678, 0.858]	4.13 (0.84); 37%
Y-2	Realized regional own-source revenue this year is higher than in the year before.	0.684 [0.536, 0.801] †	4.24 (0.82); 44%
Y-3	Regional tax collection is carried out according to the set procedures.	0.869 [0.808, 0.917]	4.31 (0.79); 46%
Y-4	Realized operating costs are within the set budget limit.	0.871 [0.798, 0.920]	4.31 (0.86); 48%
Y-5	Tax services are completed according to the set service-time standards.	0.892 [0.818, 0.934]	4.52 (0.75); 61%
Y-6	Tax services in my work unit use a digital system.	0.869 [0.797, 0.912]	4.60 (0.72); 69%

Item	Statement (English translation)	Loading [95% CI]	Mean (SD); % rating 5
Y-7	Work processes in my work unit are carried out on the basis of the applicable SOP.	0.884 [0.827, 0.924]	4.55 (0.73); 64%
Y-8	Internal supervision is carried out regularly in my agency.	0.883 [0.822, 0.930]	4.48 (0.80); 61%
Y-9	Based on my experience, taxpayers give more praise than complaints about the service.	0.813 [0.637, 0.914]	4.47 (0.84); 62%
Y-10	Information on regional taxes is available through channels accessible to taxpayers (website, social media, counters).	0.859 [0.763, 0.913]	4.60 (0.74); 69%
Y-11	Taxpayer compliance this year is higher than last year.	0.761 [0.652, 0.843]	4.21 (0.87); 45%
Y-12	Employees' competence matches the needs of task execution in the agency.	0.817 [0.696, 0.901]	4.42 (0.71); 52%
Y-13	My agency has applied service innovations in the past year.	0.895 [0.827, 0.937]	4.45 (0.73); 54%
Y-14	Employees in my agency receive competence development of at least 20 lesson hours a year.	0.832 [0.727, 0.905]	4.32 (0.78); 47%
Y-15	My agency's SAKIP score in the latest evaluation is higher than in the evaluation before.	0.774 [0.575, 0.913]	4.37 (0.79); 51%
Y-16	My agency applies rules or mechanisms to safeguard employee integrity.	0.877 [0.821, 0.920]	4.54 (0.65); 61%

Source: Authors' questionnaire, translated by the authors; loadings, intervals, and item statistics computed by the authors from the survey responses. † Loading below 0.708. Items are numbered within each construct in questionnaire order (X1 competence, X2 placement, X3 incentives, Y perceived organizational performance). Intervals are percentile intervals from 10,000 bootstrap resamples.