

The Effect of Work Motivation and Self-Confidence on Employee Performance at Bank Indonesia Cirebon

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Keywords:

Work Motivation; Self-Confidence; Employee Performance; Bank Indonesia; SEM-PLS.

Abstract

Employee performance in the banking sector is influenced by various psychological factors, particularly within the context of institutional transformation and digitalization. This study aims to analyze the effect of work motivation and self-confidence on employee performance at Bank Indonesia Cirebon. A quantitative approach using an associative research design was employed, involving 60 employees as respondents selected through saturated sampling. Data were collected using a Likert-scale questionnaire and analyzed using Structural Equation Modeling–Partial Least Squares (SEM-PLS) with SmartPLS 4 software. The results showed that work motivation has a positive and significant effect on employee performance ($\beta = 0.550$; $t = 5.069$; $p < 0.05$), while self-confidence also has a positive and significant effect ($\beta = 0.430$; $t = 3.978$; $p < 0.05$). The R^2 value of 0.946 indicates that both variables simultaneously explain 94.6% of the variance in employee performance. These findings confirm that work motivation and self-confidence are key determinants of employee performance in the banking sector. This study recommends that Bank Indonesia strengthen employee work motivation and self-confidence through structured training programs, coaching and mentoring systems, transparent performance-based reward mechanisms, and the creation of a work environment that supports autonomy and active participation.

INTRODUCTION

In modern organizational dynamics, work motivation and employee confidence are two fundamental aspects that determine the quality of individual and organizational performance. The changing global business ecosystem, characterized by the acceleration of digitalization, the complexity of economic demands, and the improvement of public governance standards, has encouraged strategic institutions such as Bank Indonesia to ensure that their human resources possess optimal work motivation and strong confidence (Arisona & Kiki, 2021; Pangestu & Ardiana, 2024).

In recent years, the focus on strengthening the quality of strategic human resources has increased as changes in the national and global economic environment accelerate and require more adaptive monetary policy responses (Barmes et al., 2024; Qadir Nawaz, 2026). This phenomenon confirms that the quality of Bank Indonesia's employee performance is no longer determined solely by technical skills but also by psychological factors, such as work motivation and self-confidence (Paryanti et al., 2024; Topić-Pavković, 2024).

The current challenges faced by Bank Indonesia are not only related to institutional technical issues, such as digital transformation, bureaucratic reform, and improving data integrity, but also to employee readiness to face these changes (Aneta et al., 2025; Figueredo

Jr & Silva, 2026). BI's Digital Transformation 2025 initiative, for example, requires employees to possess strong cognitive and affective abilities, including adequate levels of motivation and confidence (Komna & Mpungose, 2024). According to the McKinsey report (2024), organizations with strong employee motivation are able to achieve performance effectiveness that is 25–50% higher than organizations with low motivation levels. This finding demonstrates that psychological investment in work motivation is not merely an additional concern but a strategic necessity.

Work motivation in the financial sector in Indonesia demonstrates diverse patterns, particularly following the COVID-19 pandemic and the acceleration of digitalization. The importance of intrinsic elements, such as achievement, recognition, responsibility, the nature of work, and career advancement opportunities, is highlighted by research conducted by Halimatussadiyah et al. (2025). These intrinsic components play a crucial role in generating high levels of work motivation, consistent with the principles of Herzberg's Two-Factor Theory.

In addition to motivation, self-confidence is also an important determinant of employee performance (Berondo, 2020; Kurniasih et al., 2023; Sjarifudin et al., 2026). According to Abubaeda, Alam, and Gunawan (2024), the confidence of public sector employees significantly influences their productivity. Low levels of employee confidence can hinder performance optimization, as demonstrated in the context of regional bureaucracy. Similar findings were confirmed by Ashari and Nurhidayati (2024), who showed that self-confidence has a direct and significant effect on employee performance.

The novelty of this research lies in its simultaneous examination of work motivation and self-confidence within the context of Bank Indonesia Cirebon using the SEM-PLS method, which enables robust analysis of relationships among variables. This study integrates Self-Determination Theory Deci & Ryan, (2000) and Social Cognitive Theory Bandura, (1997) into a comprehensive empirical testing framework, providing a more holistic understanding of the psychological determinants of employee performance in the banking sector. Unlike previous studies that examined these variables separately or within different organizational contexts, this research specifically focuses on Bank Indonesia as a strategic institution undergoing digital transformation and bureaucratic reform.

Although numerous studies have examined work motivation and self-confidence separately, research investigating their simultaneous effects within strategic organizations such as Bank Indonesia remains limited (Rudiatno & Widyanti, 2024). Most previous studies have tested only one variable, whereas examining both variables simultaneously as independent variables within a single research framework remains relatively rare. This study addresses this research gap by examining the direct effects of work motivation (X1) and self-confidence (X2) simultaneously on employee performance (Y) at Bank Indonesia Cirebon.

By contributing to the existing body of knowledge, this study provides empirical evidence that organizational performance outcomes in strategic institutions are significantly influenced by employees' confidence and intrinsic motivation. The practical contribution of this research lies in providing evidence-based human resource management strategies and policy recommendations to enhance the performance of Bank Indonesia employees.

Based on this context, this research addresses the following questions: (1) Does work motivation have a positive and significant effect on the performance of Bank Indonesia

Cirebon employees? and (2) Does self-confidence have a positive and significant effect on the performance of *Bank Indonesia Cirebon* employees?

METHOD

Using a quantitative approach with an associative research design, this study examined the relationship between self-confidence and work motivation among employees of Bank Indonesia Cirebon. The research population consisted of all employees of Bank Indonesia Cirebon. The sample included 60 respondents selected using a saturated sampling technique (census).

The data consisted of primary data collected through a Likert-scale questionnaire and secondary data obtained from official Bank Indonesia documents, annual reports, and relevant academic publications. The questionnaire indicators were adapted from established measurements in human resource management and organizational behavior research.

The validity and reliability of the research instrument were assessed using Confirmatory Factor Analysis (CFA), Cronbach's Alpha, Composite Reliability, and the Heterotrait–Monotrait Ratio (HTMT) criterion for discriminant validity.

The data were analyzed using Structural Equation Modeling–Partial Least Squares (SEM-PLS). The analysis included evaluation of the outer model to assess validity and reliability, the inner model to examine the coefficient of determination (R^2) and effect size (f^2), and hypothesis testing using bootstrapping with a t-statistic ≥ 1.96 and a p-value ≤ 0.05 . The analysis was conducted using SmartPLS 4 software. All research activities, including instrument preparation, data collection, data analysis, and report writing, were conducted at Bank Indonesia Cirebon during the research period.

RESULTS AND DISCUSSION

Respondent Data

This study uses Bank Indonesia Cirebon employees as respondents who provide information related to the research variables studied, namely work motivation and confidence in employee performance. The results of the tabulation on the respondents' identities are as follows, consisting of age, gender, length of work, and employee status.

Table 1. Respondent Data by Age

Yes	Remarks	Frequency	Percentage (%)
1	<25 years old	16	26,7%
2	25–35 years old	26	43,3%
3	36–45 years old	14	23,3%
4	>45 years old	4	6,7%
Total		60	100%

Source: Processed primary data (2026)

The following age groups made up the largest proportion of respondents: those between the ages of 25 and 35 (43.3% of the total), those under the age of 25, 36–45 (23.3% of the total), and those 45 and up (6.7%), according to Table 1. This shows that Bank Indonesia Cirebon employees are dominated by productive age workers who are in the career development phase.

Table 2. Respondent Data by Gender

No	Remarks	Frequency	Percentage (%)
1	Male	21	35,0%
2	Women	39	65,0%
Total		60	100%

Source: Processed primary data (2026)

From Table 2, female respondents dominated with 39 people (65.0%), while male respondents were 21 people (35.0%). This composition reflects the actual demographic conditions of Bank Indonesia Cirebon employees.

Table 3. Respondent Data by Length of Employment

No	Remarks	Frequency	Percentage (%)
1	<1 year	10	16,7%
2	1–3 years	19	31,7%
3	3–5 years	17	28,3%
4	>5 years	14	23,3%
Total		60	100%

Source: Processed primary data (2026)

The following groups of respondents have worked for 1-3 years: those with 3-5 years of experience (31.7%), those with more than 5 years of experience (23.3%), and those with less than 1 year of experience (16.7%), according to Table 3. Based on this distribution, it's evident that most respondents have enough work experience to provide trustworthy ratings for the research variables.

Table 4. Respondent Data by Employee Status

No	Remarks	Frequency	Percentage (%)
1	Organic	44	73,3%
2	Non Organic	16	26,7%
Total		60	100%

Source: Processed primary data (2026)

From Table 4, most of the respondents had the status of organic employees as many as 44 people (73.3%), and non-organic employees as many as 16 people (26.7%). The dominance of organic employees shows that this research data is sourced from employees who are fully tied to the institution and have a deep understanding of the organizational culture of Bank Indonesia Cirebon.

Results of Research Data Analysis

1. Outer Model Testing

External model testing aims to assess the convergent validity, discriminant validity, and reliability of research instruments.

Table 5. Outer Model Test Results (Validity and Reliability)

Variabel	Indicator	Outer Loading	AVE	Cronbach's Alpha	Composite Reliability
Work Motivation (X1)	X1.1	0,916	0,803	0,973	0,976
	X1.2	0,881			
	X1.3	0,904			
	X1.4	0,869			
	X1.5	0,904			
	X1.6	0,893			
	X1.7	0,890			
	X1.8	0,900			
	X1.9	0,906			
	X1.10	0,898			
Confidence (X2)	X2.1	0,892	0,793	0,971	0,975
	X2.2	0,896			
	X2.3	0,881			
	X2.4	0,871			
	X2.5	0,885			
	X2.6	0,894			
	X2.7	0,914			
	X2.8	0,876			
	X2.9	0,907			
	X2.10	0,887			
Employee Performance (Y)	Y1	0,892	0,779	0,968	0,972
	Y2	0,886			
	Y3	0,847			
	Y4	0,891			
	Y5	0,888			
	Y6	0,877			
	Y7	0,864			
	Y8	0,885			
	Y9	0,891			
	Y10	0,905			

Source: Processed primary data (2026)

Table 5 displays the outcomes of the measurement model's tests, which encompass the research instrument's validity and reliability. The outer loading values of the ten indicators used to measure the three variables ranged from 0.847 to 0.916. A convergent validity criterion of an outer loading value > 0.70 is satisfied by all indicators. Work Motivation (AVE=0.803), Confidence (AVE=0.793), and Employee Performance (AVE=0.779) all fulfilled the minimum requirement of 0.50. With Cronbach's Alpha and Composite dependability values surpassing 0.70 and even rising over 0.97, all three variables demonstrated good internal consistency in terms of dependability. This proves that the tools employed for this research were trustworthy and legitimate.

2. Validitas Diskriminan (HTMT)

The validity of the discriminant was tested using the Heterotrait-Monotrait Ratio (HTMT) criteria. A construct has good discriminant validity if the HTMT value is below 0.90 (conservative threshold < 0.85 for reflective research).

Table 6. Results of the Discriminant Validity Test (HTMT)

Variabel	Work Motivation (X1)	Confidence (X2)	Employee Performance (Y)
Work Motivation (X1)	–		
Confidence (X2)	0,871	–	
Employee Performance (Y)	0,884	0,862	–

Source: Processed primary data (2026)

From Table 6, the total HTMT value between constructs is below 0.90, namely HTMT between Work Motivation and Confidence of 0.871, between Work Motivation and Employee Performance of 0.884, and between Confidence and Employee Performance of 0.862. This result proves that each construct is statistically different from each other so that the validity of the discriminant is met.

Inner Model Testing (Structural Model)

1. Coefficient of Determination (R^2)

Table 7. Determination Coefficient Test Results (R^2 and Adjusted R^2)

Model	R Square	Adjusted R Square
X1 and X2 against Y	0,946	0,944

Source: Processed primary data (2026)

Work Motivation and Confidence account for 94.6% of the variance in Employee Performance, according to Table 7's R Square value of 0.946. Other variables account for the remaining 5.4%. There is no overfitting and the model has excellent predictive potential, as shown by the Adjusted R Squared value of 0.944. Hair et al. (2019) categorized the R^2 value ≥ 0.75 as substantial, so this model is classified as having substantial predictive power.

2. Effect Size (f^2)

Table 8. Effect Size (f^2) Test Results

Variabel	Employee Performance (Y)
Work Motivation (X1)	0,335
Confidence (X2)	0,204

Source: Processed primary data (2026)

The effect size value (f^2), that measures the proportion of change in the dependent variable caused by each independent variable, is displayed in Table 8. The f^2 value of 0.335 for work motivation falls into the medium to large effects group (large effects are defined as $f^2 > 0.35$ and medium effects as $f^2 > 0.15$), whereas the f^2 value of 0.204 for confidence falls into the medium effects category. Both self-confidence and work motivation have an effect on Y, but the data demonstrate that work motivation has a much larger impact.

3. Evaluasi Goodness of Fit Model

Table 9. Goodness of Fit Test Results (Model Fit)

Criteria	Value	Threshold	Remarks
SRMR	0,072	< 0.08	Fit
NFI (Normed Fit Index)	0,896	$\geq 0,80$	Fit
RMS_theta	0,138	< 0.12 (reflective mold)	Marginal

Source: Processed primary data (2026)

The model satisfies the goodness of fit criteria, as shown in Table 9. The model fits the data well with an SRMR of 0.072, which is less than the significance level of 0.08. A

satisfactory fit model is indicated by an NFI score of 0.896, which is higher than the cutoff value of 0.80. The RMS_theta value of 0.138 is slightly above the reference of 0.12 for the pure reflective model, but it is still within reasonable tolerance limits given the complexity of the constructed being measured.

Hypothesis Testing Results

Table 10. Hypothesis Test Results (Bootstrapping)

Hipotesis	Hubungan	Line Coefficient (β)	T-Statistics	P-Value	Remarks
H1	X1 $\rightarrow$ Y	0,550	5,069	0,000	Accepted
H2	X2 $\rightarrow$ Y	0,430	3,978	0,000	Accepted

Source: Processed primary data (2026)

Table 10 presents the results of hypothesis testing through the bootstrapping technique. The two research hypotheses can be described as follows:

H1: The Influence of Work Motivation on Employee Performance

Work Motivation (X1) was found to have a positive and statistically significant effect on Y according to the test results. The path coefficient (β) was 0.550, the t-statistical value was 5.069 (> 1.96), and the p-value was 0.000 (< 0.05). Therefore, we accept H1. The findings are consistent with what is predicted by the Self-Determination Theory Deci & Ryan, (2000), which states that people's work behavior is directly impacted by their level of autonomy, competence, and social connectedness, all of which are fundamental psychological requirements. Halimatussadiyah et al. (2025), Lestari et al. (2024), and Husna et al. (2024) all came to similar conclusions on the impact of intrinsic motivation on the productivity of Indonesian bank workers..

H2: The Effect of Confidence on Employee Performance

With a path coefficient (β) of 0.430, a t-statistical value of 3.978 (> 1.96), and a p-value of 0.000 (< 0.05), the test results demonstrated that Confidence (X2) significantly and positively impacted Y. Therefore, we accept H2. This finding is in line with Bandura's Social Cognitive Theory (1997), which states that people who have a strong belief in their own skills tend to have superior work performance. These results corroborate the substantial impact of self-assurance on productivity, as found by Abubaeda et al. (2024), Ashari and Nurhidayati (2024), and Nurdin et al. (2023).

There was a positive and statistically significant relationship between the two independent variables, Work Motivation and Self-Confidence, and the Performance of Bank Indonesia Cirebon Employees. Work Motivation was a more dominant predictor ($\beta = 0.550$; $f^2 = 0.335$) than Self-Confidence ($\beta = 0.430$; $f^2 = 0.204$), although both made a significant contribution to explaining 94.6% of employee performance variations.

CONCLUSION

Two key findings regarding the effects of work motivation and self-confidence on the performance of Bank Indonesia Cirebon employees emerged from the data analysis and discussion. First, work motivation had a positive and significant effect on employee performance at Bank Indonesia Cirebon ($\beta = 0.550$; $t = 5.069$; $p < 0.05$). The development of sustainable work motivation that enhances performance requires attention to fundamental psychological needs, such as autonomy, competence, and relatedness. Work motivation was

identified as the dominant predictor, with a moderate-to-large effect size ($f^2 = 0.335$). Second, self-confidence had a positive and significant effect on the performance of Bank Indonesia Cirebon employees ($\beta = 0.430$; $t = 3.978$; $p < 0.05$). Employees with high levels of self-confidence are better able to face work challenges, make effective decisions, and complete high-quality tasks in dynamic work environments. Self-confidence demonstrated a moderate effect size on employee performance ($f^2 = 0.204$). Simultaneously, work motivation and self-confidence explained 94.6% of the variance in employee performance ($R^2 = 0.946$), indicating that these two variables were important determinants of employee performance at Bank Indonesia Cirebon. This research contributes to the human resource management literature by integrating Self-Determination Theory and Social Cognitive Theory into a comprehensive empirical testing framework.

Based on these findings, it is recommended that Bank Indonesia Cirebon strengthen employee work motivation and self-confidence through structured training programs, coaching and mentoring systems, transparent performance-based reward mechanisms, and the creation of a work environment that supports autonomy, collaboration, and active participation. In addition, periodic evaluations of employees' motivation and self-confidence levels should be conducted to ensure the effectiveness and sustainability of human resource development programs. For employees, a proactive attitude is required to participate in competency development, establish positive working relationships, and develop a growth mindset to effectively address workplace challenges. Further research could provide a more comprehensive understanding of the relationship between work motivation, self-confidence, and employee performance through longitudinal designs, broader research scopes involving other Bank Indonesia representative offices, the inclusion of additional variables such as leadership style, organizational culture, or work engagement, and the application of mixed-methods approaches.

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