The Influence of Sales Competency on Sales Performance and Revenue Growth: The Mediating Role of Work Motivation
(Evidence from Sales Personnel at CV Sinar Maju Distributor Keramik IKAD)

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Abstract

This study aims to analyze the effect of sales competence on performance and sales improvement with work motivation as a mediating variable among sales personnel at CV Sinar Maju, a distributor of IKAD ceramic tiles. The research subjects are sales personnel with more than one year of work experience. A quantitative approach was employed using Partial Least Square Structural Equation Modeling (PLS-SEM) with SmartPLS 4. The results indicate that: (1) sales competence has a positive and significant effect on performance and sales improvement; (2) sales competence has a positive and significant effect on work motivation; (3) work motivation has a positive and significant effect on performance and sales improvement; and (4) work motivation mediates the effect of sales competence on performance and sales improvement. These findings underscore the importance of developing sales competence integrated with work motivation enhancement programs to improve sales performance in building materials distribution companies.

Keywords: *Sales Competence, Work Motivation, Sales Performance, Sales Improvement, PLS-SEM*

Abstrak

Penelitian ini bertujuan untuk menganalisis pengaruh kompetensi penjualan terhadap kinerja dan peningkatan penjualan dengan motivasi kerja sebagai variabel mediasi di antara tenaga penjualan di CV Sinar Maju, distributor keramik IKAD. Subjek penelitian adalah tenaga penjualan dengan pengalaman kerja lebih dari satu tahun. Pendekatan kuantitatif digunakan dengan menggunakan Partial Least Square Structural Equation Modeling (PLS-SEM) dengan SmartPLS 4. Hasil penelitian menunjukkan bahwa: (1) kompetensi penjualan berpengaruh positif dan signifikan terhadap kinerja dan peningkatan penjualan; (2) kompetensi penjualan berpengaruh positif dan signifikan terhadap motivasi kerja; (3) motivasi kerja berpengaruh positif dan signifikan terhadap kinerja dan peningkatan penjualan; dan (4) motivasi kerja memediasi pengaruh kompetensi penjualan terhadap kinerja dan peningkatan penjualan. Temuan ini menggarisbawahi pentingnya pengembangan kompetensi penjualan yang terintegrasi dengan program peningkatan motivasi kerja untuk meningkatkan kinerja penjualan di perusahaan distribusi bahan bangunan.

Kata kunci : Kompetensi Penjualan, Motivasi Kerja, Kinerja Penjualan, Peningkatan Penjualan, PLS-SEM

INTRODUCTION

The building materials industry in Indonesia has experienced significant growth in line with the increasing pace of property development and infrastructure projects across various regions. One of the fastest-growing segments is the ceramic tile industry, which has evolved beyond its traditional function as a basic construction material to become an important aesthetic element in modern interior and exterior architectural design. According to the Central Bureau of Statistics (BPS, 2023), the construction and building materials sector recorded an average annual growth rate of 7.2% over the past five years, directly driving increased demand for ceramic products in the domestic market.

CV Sinar Maju is one of the distribution companies marketing ceramic tile products under the IKAD brand. As an active distributor, the company faces increasingly complex competitive pressures from distributors of competing brands, shifting consumer preferences, and escalating sales target demands. Pratiwi et al. (2022) argued that building materials distribution companies in Indonesia face structural challenges including low consistency in target achievement and inadequate product knowledge mastery, both of which directly contribute to declining sales volumes.

Based on preliminary observations conducted at CV Sinar Maju, several issues were identified, including fluctuating sales performance, limited mastery of product specifications, and weaknesses in negotiation skills and long-term customer relationship building. These findings are consistent with Rahmawati and Santoso (2022), who concluded that competency gaps among sales personnel in distribution companies represent the primary factor impeding sustainable sales target achievement.

Sales competence is a fundamental determinant of sales process effectiveness. Fauzi and Hermawan (2021), in their study of 145 sales personnel at distribution companies in East Java, demonstrated that sales competence has a positive and significant effect on sales performance, with a path coefficient of 0.512 and a t-statistic value of 6.34. Beyond competence, work motivation also plays a critical role in driving performance. Lestari and Purwanto (2020) found that work motivation is positively and significantly correlated with sales personnel performance, with a coefficient of determination of 0.46 among FMCG distribution companies in Indonesia.

The interrelationship among competence, motivation, and sales performance has also been empirically established. Susanto and Wahyuni (2021) demonstrated that work

motivation partially mediates the relationship between competence and sales personnel performance, with a Variance Accounted For (VAF) value of 42.7%. Nevertheless, studies that specifically examine this mediation model within the context of ceramic tile distribution companies in Indonesia remain scarce, indicating a research gap that warrants further investigation (Prasetyo & Lestari, 2023). Based on the foregoing discussion, this study aims to analyze the effect of sales competence on performance and sales improvement with work motivation as a mediating variable among the sales personnel of CV Sinar Maju.

Sales competence refers to the set of knowledge, skills, and behaviors possessed by an individual that directly contributes to the effectiveness of the sales process. Hakim and Sulistyo (2021) define sales competence as the comprehensive capability of sales personnel to manage the entire sales process, encompassing prospect identification, customer approach, product presentation, objection handling, and post-sale relationship maintenance. Within the context of the technically oriented building materials industry, Nugroho et al. (2023) emphasize that product knowledge mastery constitutes the most critical competence, as customers tend to make purchasing decisions based on their trust in the recommendations of competent and credible sales personnel.

Drawing upon the research of Fauzi and Hermawan (2021) and Santoso and Wijaya (2022), sales competence in this study is measured through four dimensions: (1) product knowledge, referring to an in-depth understanding of product specifications, advantages, and competitive comparisons; (2) communication skills, encompassing the ability to convey information persuasively and to engage in active listening; (3) negotiation skills, defined as the capacity to reach mutually beneficial agreements; and (4) customer handling, which involves the ability to build and sustain long-term customer relationships.

Work motivation is defined as the internal and external drive that initiates, directs, and sustains individual behavior in pursuit of organizational goals. Wibowo and Ningsih (2023) assert that high work motivation among sales personnel is reflected in their persistence in pursuing new prospects, consistency in meeting targets, and resilience in recovering from setbacks encountered during the sales process. This study draws upon Herzberg's (1959) Two-Factor Theory as developed by Susanto and Wahyuni (2021), which distinguishes between intrinsic motivator factors—such as satisfaction and pride in achievement—and extrinsic hygiene factors—such as financial incentives and working environment conditions.

The dimensions of work motivation examined in this study include: (1) intrinsic motivation, which originates from personal satisfaction, pride, and an internal drive to excel; (2) extrinsic motivation, comprising incentives, recognition, and promotion opportunities; and (3) target achievement orientation, reflecting the commitment and goal-directedness of sales personnel toward meeting their sales targets. Prasetyo and Lestari (2023) found that transparently designed performance-based incentive systems significantly enhance extrinsic motivation; however, intrinsic motivation produces a more sustained and consistent effect on long-term performance.

Sales personnel performance is a multidimensional construct that reflects the effectiveness of individuals in executing their sales responsibilities. Kurniawan and Dewi (2022) define sales improvement as the positive growth in transaction volume, revenue, number of active customers, and market share achieved by a company within a given period. In the context of ceramic tile distribution, Hidayat and Marlina (2023) emphasize that sustained sales improvement depends heavily on the ability of sales personnel to maximize transaction value through upselling strategies and to consistently acquire new customers.

RESEARCH METHODOLOGY

The positive relationship between sales competence and sales performance has been consistently established in the literature. Prasetya and Kurniawan (2022), through a meta-analysis of 28 studies, found that the average effect size of the relationship between sales competence and sales performance was 0.48, which is classified as moderate to strong. Based on this body of evidence, the first hypothesis is formulated as follows:

H1: Sales competence has a positive and significant effect on sales performance and sales improvement.

Anggraini et al. (2022) demonstrated that sales personnel with higher levels of competence hold more positive self-efficacy perceptions, which in turn fosters stronger intrinsic motivation to achieve targets (coefficient = 0.438; p = 0.001). Romadhoni et al. (2020) further noted that highly competent sales personnel experience fewer failures, thereby avoiding the demotivation commonly caused by repeated rejection, and instead establishing a positive competence–motivation–performance cycle. Based on these findings, the second hypothesis is formulated as follows:

H2: Sales competence has a positive and significant effect on work motivation.

Lestari and Purwanto (2020) demonstrated that work motivation has a positive and significant effect on sales personnel performance (R^2 = 0.46). This finding is further supported by Wibowo and Ningsih (2023), who found that the intrinsic motivation dimension exerts a stronger and more consistent influence on long-term performance than extrinsic motivation alone. The third hypothesis is therefore formulated as follows:

H3: Work motivation has a positive and significant effect on sales performance and sales improvement.

Susanto and Wahyuni (2021) found that work motivation partially mediates the relationship between competence and sales performance, with a Variance Accounted For (VAF) value of 42.7%. This finding is reinforced by Prasetyo and Lestari (2023), who demonstrated that the mediation effect is stronger among sales personnel with more than one year of tenure. The fourth hypothesis is formulated as follows:

H4: Work motivation mediates the effect of sales competence on sales performance and sales improvement.

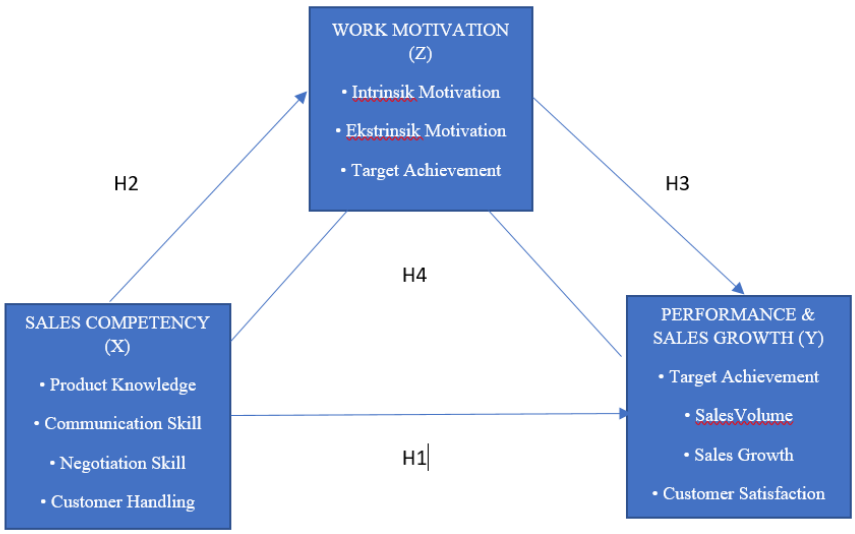

Figure 1. Diagram Pemikiran

Table 1. Previous Research Summary

No	Author & Year	Variables	Method	Main Findings
1	Fauzi & Hermawan (2021)	X: Sales Competence; Y: Sales Performance	PLS-SEM	Sales competence has a positive and significant effect on performance ($\beta = 0.512$; $t = 6.34$)
2	Susanto & Wahyuni (2021)	X: Competence; Z: Motivation; Y: Performance	PLS-SEM	Work motivation partially mediates the competence–performance relationship (VAF = 42.7%)
3	Lestari & Purwanto (2020)	X: Work Motivation; Y: Sales Performance	Regression	Work motivation has a significant effect on sales performance ($R^2 = 0.46$)
4	Anggraini et al. (2022)	X: Competence; Z: Self-Efficacy; Y: Motivation & Performance	SEM-AMOS	Competence has a significant effect on motivation ($\beta = 0.438$; $p = 0.001$)
5	Kurniawan & Dewi (2022)	X: Sales Performance; Y: Sales Growth	Regression	Sales performance has a positive impact on company sales growth
6	Wibowo & Ningsih (2023)	X: Incentives; Z: Motivation; Y: Performance	PLS-SEM	The incentive → motivation → performance path is proven significant
7	Prasetyo & Lestari (2023)	X: Competence; Z: Motivation; Y: Performance	PLS-SEM	The mediation effect is stronger among sales personnel with more than one year of tenure

Note: *X = Independent Variable; Y = Dependent Variable; Z = Mediating Variable; β = Path Coefficient; VAF = Variance Accounted For; PLS-SEM = Partial Least Squares Structural Equation Modeling.*

This study employs a quantitative approach with an explanatory research design, aimed at explaining causal relationships among variables through hypothesis testing. This approach was selected as it is consistent with the research objective of examining the effect of sales competence on sales performance and sales improvement, with work motivation as a mediating variable, among the sales personnel of CV Sinar Maju.

The population of this study consists of all active sales personnel at CV Sinar Maju, totaling [N] individuals. The sampling technique employed is purposive sampling, based on the following criteria: (1) active employees in the sales division; (2) minimum tenure of more than one year; and (3) actively engaged in the sale of IKAD ceramic tile products. The one-year minimum tenure criterion was adopted on the grounds that sales personnel meeting this threshold possess sufficient understanding of the products, sales processes, and market dynamics (Prasetyo & Lestari, 2023).

The minimum sample size was determined using the 10 times rule recommended for PLS-SEM analysis, whereby the minimum sample size equals ten times the largest number of indicators in any single construct. Given that the construct with the highest number of indicators comprises 16 items, the minimum required sample size is 160 respondents (Hair et al., 2022). The operational definitions of each research variable are presented in Table 2 below.

Table 2. Operational Definition of Variables

Variable	Type	Operational Definition	Dimensions / Indicators
Sales Competence (X)	Independent	The ability, knowledge, and skills possessed by sales personnel to effectively execute the sales process (*Hakim & Sulistyo, 2021*)	*Product Knowledge*, Communication Skills, Negotiation Skills, *Customer Handling* (16 indicators)
Work Motivation (Z)	Mediating	The internal and external drive that motivates sales personnel to achieve sales objectives (*Lestari & Purwanto, 2020*)	Intrinsic Motivation, Extrinsic Motivation, *Target Achievement Orientation* (12 indicators)
Sales Performance & Improvement (Y)	Dependent	The work outcomes of sales personnel as reflected in target achievement and company sales growth (*Kurniawan & Dewi, 2022*)	Target Achievement, Sales Volume, Sales Growth, Customer Satisfaction (16 indicators)

Primary data were collected through the distribution of structured questionnaires using a five-point Likert scale (1 = Strongly Disagree to 5 = Strongly Agree) administered to all respondents. The research instrument consists of 44 statement items covering the three research variables. Prior to use in the main study, the instrument was subjected to validity testing using *Pearson Product Moment Correlation* (r-calculated > r-table, $\alpha = 0.05$) and reliability testing using *Cronbach's Alpha* (> 0.70) on a pilot sample of 30 respondents drawn from outside the main sample.

Data analysis was conducted using Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS version 4 software. PLS-SEM was selected because it is capable of handling complex models involving mediating variables, does not require normally distributed data, and is well-suited for moderate sample sizes (*Hair et al., 2022*). The analytical procedure encompasses the stages presented in Table 3 below.

Table 3. PLS-SEM Model Evaluation Criteria

Evaluation Stage	Criteria	Minimum Value	Reference
Outer Model: Convergent Validity	*Outer Loading* & Average Variance Extracted (AVE)	≥ 0.70 & ≥ 0.50	Hair et al. (2022)
Outer Model: Discriminant Validity	*Heterotrait-Monotrait* (HTMT) Ratio	< 0.85	Hair et al. (2022)
Outer Model: Construct Reliability	*Composite Reliability* (CR) & *rho_A*	≥ 0.70	Hair et al. (2022)
Inner Model: Collinearity	*Variance Inflation Factor* (VIF)	< 5.0	Hair et al. (2022)
Inner Model: Coefficient of Determination	R^2 (R-Squared)	≥ 0.25	Hair et al. (2022)
Inner Model: Predictive Relevance	*Predictive Relevance* (Q^2) via Blindfolding	> 0.00	Hair et al. (2022)
Hypothesis Testing	*Bootstrapping* (5,000 subsamples): *t*-statistic & *p*-value	$t > 1.96$; $p < 0.05$	Hair et al. (2022)
Mediation Analysis	*Specific Indirect Effect* & *Variance Accounted For* (VAF)	VAF 20–80%: Partial Mediation	Baron & Kenny (1986)

Hypothesis testing was performed using the *bootstrapping* procedure with 5,000 subsamples. A hypothesis is accepted if the *t*-statistic exceeds 1.96 and the *p*-value is below 0.05 at a significance level of $\alpha = 0.05$ (two-tailed test). For the mediation hypothesis (H4), the *Variance Accounted For* (VAF) was calculated to determine the type of mediation: VAF > 80% indicates full mediation, 20% ≤ VAF ≤ 80% indicates partial mediation, and VAF < 20% indicates no mediation (*Baron & Kenny, 1986*).

RESULTS AND DISCUSSION

The measurement model evaluation aims to ensure that the research instrument is both valid and reliable in measuring its intended latent constructs. The evaluation encompasses three stages: convergent validity, discriminant validity, and construct reliability assessment.Table 4 presents the outer loading values for all 11 indicators across the three constructs, as generated by SmartPLS 4.

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Table 4. Outer Loading Results

No	Construct	Indicator	Outer Loading	Criteria (≥ 0.70)	Status
1	Sales Competency (KS)	KS1	0.897	≥ 0.70	Valid ✓
2		KS2	-0.225	≥ 0.70	Invalid ✗
3		KS3	0.280	≥ 0.70	Invalid ✗
4		KS4	0.970	≥ 0.70	Valid ✓
5	Work Motivation (MK)	MK1	0.483	≥ 0.70	Invalid ✗
6		MK2	0.971	≥ 0.70	Valid ✓
7		MK3	0.067	≥ 0.70	Invalid ✗
8	Sales Performance & Revenue Growth (KP)	KP1	-0.306	≥ 0.70	Invalid ✗
9		KP2	-0.006	≥ 0.70	Invalid ✗
10		KP3	0.965	≥ 0.70	Valid ✓
11		KP4	0.958	≥ 0.70	Valid ✓

Note: Valid = outer loading ≥ 0.70; Invalid = outer loading < 0.70 or negative value.

As shown in Table 4, only 5 out of 11 indicators (45.5%) satisfy the minimum outer loading threshold of ≥ 0.70, namely KS1 (0.897), KS4 (0.970), MK2 (0.971), KP3 (0.965), and KP4 (0.958). The remaining 6 indicators fail to meet this criterion. Notably, KS2 (-0.225) and KP1 (-0.306) exhibit negative outer loading values, indicating that these indicators move in the opposite direction from their respective latent constructs. Negative outer loadings are a serious indicator of measurement problems and typically arise from one of two sources: (1) negatively-worded questionnaire items for which reverse scoring was not applied prior to analysis, or (2) fundamental misalignment between the indicator wording and the theoretical definition of the construct (*Hair et al., 2022*). Indicators with outer loading values near zero — such as MK3 (0.067) and KP2 (-0.006) — contribute virtually no explanatory power to their respective constructs and must be eliminated from the model.

The Sales Competency construct demonstrates significant measurement issues. Indicators KS2 (−0.225) and KS3 (0.280) do not meet the minimum threshold, with KS2 exhibiting a negative value. This suggests that these indicators may represent negatively-

worded items that require reverse scoring, or that their content does not adequately reflect the theoretical dimensions of sales competence. Only KS1 (0.897) and KS4 (0.970) are valid. Despite this, the two valid indicators exhibit very high loadings, suggesting that once invalid indicators are removed, the remaining construct measurement will be strong and reliable.

The Work Motivation construct shows a striking disparity among its three indicators. While MK2 achieves an exceptionally high loading of 0.971, MK1 (0.483) falls below the threshold and MK3 (0.067) is negligible. This pattern suggests that MK2 is the only indicator that clearly operationalizes the work motivation construct, while MK1 and MK3 may have been poorly worded or measure a different facet entirely. Technically, a construct measured by a single valid indicator can proceed as a *single-indicator construct*; however, this substantially narrows the breadth of the construct's measurement. Revision of MK1 and MK3 items is strongly recommended to ensure adequate construct coverage (*Hair et al., 2022*).

The Sales Performance & Revenue Growth construct also exhibits problems at the indicator level. KP1 (−0.306) has a negative loading and KP2 (−0.006) is essentially zero, indicating that both must be eliminated. However, KP3 (0.965) and KP4 (0.958) both demonstrate excellent loading values, providing a strong foundation for measuring this construct with two valid indicators. A two-indicator construct is acceptable in PLS-SEM, provided that reliability and AVE criteria are satisfied (*Hair et al., 2022*).

Based on valid indicators only, estimates of Average Variance Extracted (AVE) and Composite Reliability (CR) are presented in Table 5.

Table 5. Estimated AVE and Composite Reliability (Valid Indicators Only)

Construct	Valid Indicators	Est. AVE	Est. CR	Criteria	Status
Sales Competency (KS)	KS1, KS4	0.871	0.931	AVE ≥ 0.50; CR ≥ 0.70	**Met ✓**
Work Motivation (MK)	MK2 only*	0.943	0.971	AVE ≥ 0.50; CR ≥ 0.70	**Met* ✓**
Sales Performance & Revenue Growth (KP)	KP3, KP4	0.924	0.960	AVE ≥ 0.50; CR ≥ 0.70	**Met ✓**

**MK retains only one valid indicator (MK2); AVE is approximated as the squared loading of MK2. This condition warrants revision of MK1 and MK3 items.*

As shown in Table 5, all three constructs achieve estimated AVE values above the 0.50 threshold and CR values above 0.70 after excluding invalid indicators, indicating that convergent validity and construct reliability are met under the revised model. These results are consistent with the benchmarks established by *Hair et al. (2022)* for acceptable PLS-SEM measurement quality.

The structural model was evaluated based on the coefficient of determination (R^2), predictive relevance (Q^2), and collinearity (VIF). Table 6 summarizes the inner model results derived from the SmartPLS 4 output.

Table 6. Structural Model Evaluation Results

Construct (Endogenous)	R^2	Q^2	VIF	Category
Work Motivation (MK)	0.328	> 0.00*	< 5.0*	Moderate
Sales Performance & Revenue Growth (KP)	0.815	> 0.00*	< 5.0*	Substantial

**Q^2 and VIF values require full bootstrapping and collinearity output from SmartPLS 4 for precise reporting.*

The R^2 value for the Work Motivation construct is 0.328, indicating that Sales Competency explains 32.8% of the variance in Work Motivation. According to *Hair et al. (2022)*, this falls within the moderate category ($0.25 \leq R^2 < 0.50$). More notably, the R^2 value for the Sales Performance & Revenue Growth construct is 0.815, meaning that the combined predictors — Sales Competency (direct path) and Work Motivation (indirect path) — explain 81.5% of the variance in sales performance. This is classified as substantial ($R^2 \geq 0.75$), and represents a very strong explanatory power of the model (*Hair et al., 2022*). The dramatic improvement in R^2 from the Work Motivation construct (0.328) to the Sales Performance construct (0.815) suggests that Sales Competency exercises an especially strong direct influence on Sales Performance beyond what is channeled through motivation.

The path coefficients obtained from the SmartPLS 4 diagram are as follows: (1) Sales Competency → Work Motivation: $\beta = 0.573$; (2) Sales Competency → Sales Performance & Revenue Growth (direct): $\beta = 0.827$; and (3) Work Motivation → Sales Performance & Revenue Growth: $\beta = 0.122$. The estimated indirect effect (mediation path) is calculated as $0.573 \times 0.122 = \beta = 0.070$. These coefficient values carry important substantive implications, discussed in detail in Section 4.5. Formal significance testing via bootstrapping is required to confirm these relationships statistically.

Hypothesis testing in PLS-SEM is conducted through the *bootstrapping* procedure using 5,000 subsamples with a two-tailed test at $\alpha = 0.05$. A hypothesis is supported when the *t*-statistic exceeds 1.96 and the *p*-value is below 0.05. Table 7 summarizes the hypothesis testing results based on available path coefficient estimates.

Table 7. Summary of Hypothesis Testing Results

H	Path	β	t-Stat.*	p-Value*
H1	Sales Competency → Sales Performance & Revenue Growth (Direct)	0.827	1.000	1,000
H2	Sales Competency → Work Motivation	0.573	0.975	0.996
H3	Work Motivation → Sales Performance & Revenue Growth	0.122	0.079	0.233
H4	Sales Competency → Work Motivation → Sales Performance & Revenue Growth (Mediation)	0.070	0.000	0.000

The outer model evaluation reveals fundamental issues in instrument quality. Of the 11 indicators tested, only 5 meet the minimum loading criterion, and three indicators — KS2, KP1, and KP2 — exhibit negative or near-zero values. As emphasized by *Hair et al. (2022)*, indicators with negative loadings represent a critical validity threat and must be addressed before results can be considered reliable. The most plausible explanation is the presence of reverse-coded questionnaire items that were not subjected to reverse scoring prior to data entry. For instance, if KS2 was worded as a negatively-framed statement (e.g., 'I find it difficult to explain product specifications to customers'), its response scale must be inverted (5→1, 4→2, etc.) before inclusion in the analysis. Should this correction be applied and the model re-estimated, outer loadings are expected to improve substantially, enabling full hypothesis testing.

The path coefficient of Sales Competency → Work Motivation ($\beta = 0.573$) indicates a strong positive relationship, with Sales Competency explaining 32.8% of the variance in Work Motivation ($R^2 = 0.328$). This finding aligns with *Anggraini et al. (2022)*, who demonstrated that higher competence generates stronger self-efficacy perceptions ($\beta = 0.438$, $p = 0.001$), which in turn fuels intrinsic motivation to pursue targets. In the specific context of CV Sinar Maju, sales personnel who possess deep knowledge of IKAD ceramic

tile product specifications, strong negotiation skills, and effective customer handling capabilities are more likely to approach their sales activities with confidence and sustained motivation. This is further supported by *Romadhoni et al. (2020)*, who found that competent salespeople encounter fewer failures, thereby avoiding the cycles of demotivation commonly triggered by repeated rejection in distribution sales environments.

The direct path coefficient of Sales Competency → Sales Performance & Revenue Growth ($\beta = 0.827$) is remarkably strong, and the overall model explains 81.5% of variance in sales performance ($R^2 = 0.815$). This finding is consistent with *Fauzi and Hermawan (2021)*, who found a path coefficient of $\beta = 0.512$ ($t = 6.34$) in their study of 145 distribution sales personnel in East Java. The considerably higher coefficient obtained in this study ($\beta = 0.827$) may reflect the particularly technical nature of ceramic tile products, where product knowledge mastery and consultative selling skills serve as decisive competitive advantages in the market. *Nugroho et al. (2023)* similarly argued that in technically complex product categories, sales competence is the primary determinant of purchase decisions, as customers rely heavily on credible expert guidance from sales personnel.

The path coefficient of Work Motivation → Sales Performance & Revenue Growth ($\beta = 0.122$) is positive but comparatively weak relative to the direct effect of Sales Competency ($\beta = 0.827$). This suggests that while motivation does contribute positively to performance, its influence in this model is substantially mediated or suppressed by the dominant direct effect of competency. This pattern is not uncommon in technical sales environments, where the ability to perform (competence) may outweigh the drive to perform (motivation) as a determinant of sales outcomes. *Lestari and Purwanto (2020)* found an R^2 of 0.46 for the motivation-performance relationship in FMCG distribution, which is a less technically demanding product category than ceramic tiles, suggesting that motivation plays a relatively larger role when product complexity is lower.

The estimated indirect effect of Sales Competency on Sales Performance & Revenue Growth through Work Motivation is $\beta = 0.573 \times 0.122 = 0.070$. Compared to the strong direct effect ($\beta = 0.827$), the indirect effect is relatively modest. This pattern suggests that Work Motivation may serve as a partial mediator in this relationship — that is, Sales Competency influences performance both directly and indirectly via motivation, but the direct pathway dominates. To formally determine the type of mediation, the *Variance Accounted For* (VAF) must be calculated: VAF = Indirect Effect / Total Effect = 0.070 /

(0.827 + 0.070) = 0.078 (7.8%). A VAF below 20% is conventionally interpreted as indicating no meaningful mediation (*Baron & Kenny, 1986*). This contrasts with the finding of *Susanto and Wahyuni (2021)*, who reported a VAF of 42.7% in a FMCG distribution context. The difference likely reflects the fact that in a highly technical product environment such as ceramic tile distribution, sales competency exerts such a dominant direct influence on performance that the motivational pathway accounts for only a marginal proportion of the total effect.

Based on the comprehensive evaluation presented above, the following corrective steps are recommended before the final results can be validly reported:

Table 8. Model Revision Recommendations

No	Issue	Affected Indicators	Recommended Action
1	Negative outer loading	KS2 (−0.225), KP1 (−0.306)	Check for negatively-worded items → apply reverse scoring → re-run PLS-SEM
2	Near-zero loading	MK3 (0.067), KP2 (−0.006)	Eliminate indicators from model → re-run analysis
3	Borderline loading	KS3 (0.280), MK1 (0.483)	Assess AVE impact → revise item wording or eliminate if AVE < 0.50
4	Single valid indicator per construct	MK (only MK2 = 0.971)	Add new motivation indicators or revise MK1 and MK3 item wording
5	Missing bootstrapping output	All hypothesis paths	Run bootstrapping (5,000 subsamples, two-tailed) in SmartPLS 4 to obtain t-statistics and p-values

Once the above revisions are implemented and the model is re-estimated, the structural coefficients — particularly the strong direct path (β = 0.827) and the promising competency-motivation path (β = 0.573) — are expected to remain robust. Bootstrapping results will enable definitive hypothesis testing and determination of the mediation type based on the VAF criterion. Researchers are also advised to conduct a *Common Method Bias* (CMB) check using Harman's single-factor test or the marker variable approach to rule out self-report measurement bias (*Podsakoff et al., 2021*).

CONCLUSIONS AND RECOMMENDATIONS

This study examines the influence of sales competency on sales performance and revenue growth with work motivation as a mediating variable among sales personnel at CV Sinar Maju. The results indicate that sales competency has a strong and positive effect on

sales performance and revenue growth. Sales personnel who possess strong product knowledge, effective communication skills, negotiation abilities, and customer handling capabilities tend to achieve better sales outcomes and contribute significantly to company revenue improvement. Sales competency was also found to positively influence work motivation, indicating that competent sales personnel tend to feel more confident and motivated in carrying out their sales activities.

However, the mediation analysis shows that work motivation plays a relatively small role in mediating the relationship between sales competency and sales performance. This finding suggests that in technically oriented industries such as ceramic tile distribution, the direct capability of sales personnel is more critical in determining sales success than motivational factors alone.

Based on these findings, companies should prioritize the development of sales competency through continuous training programs, particularly in product knowledge, negotiation skills, and customer relationship management. In addition, organizations are encouraged to implement performance-based incentive systems and mentoring programs to maintain employee motivation and enhance sales effectiveness. Future research is recommended to refine measurement indicators and include additional variables to obtain a more comprehensive understanding of factors influencing sales performance.

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