



# The Effect of Core Competency on Employee Performance with Moderating Role of Employee Engagement: A Case Study in Jordanian Commercial Banks

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## ABSTRACT

This paper examines the mediating role of employee engagement in the relationship between core competency and employee performance in Jordanian commercial banks. The research design adopted was a cross-sectional design survey that examined how core competencies enhanced employee performance. Two hundred and sixty-nine copies of a questionnaire were distributed among respondents consisting of bank managers. The collected data was analysed using SPSS within a significance level of 0.05. The results derived from this study showed there is a strong positive relationship between core competence (leadership skills, communication skills, customer service orientation, problem solving) and employee performance in Jordanian commercial banks based in Jordan. In addition, the significant role of employee engagement as a moderator is undeniable.

**Keywords:** Problem-Solving, Customer Service Orientation, Employee Engagement, Employee Performance, Jordanian Banking Sector.

**JEL Classifications:** M12, M54

## 1. INTRODUCTION

Human resources in organizations are the most effective sector for maintaining sustainability and helping organizations reach their objectives (Liu and Liu, Yaoping, 2022; Noe et al., 2017). To increase efficiency and performance, organizations strive to balance between their needs and those of their employees (Cainarca et al., 2019). Banks are constantly struggling to formulate a dynamic, unpredictable, and ever-changing strategy in a business environment (Tseng et al., 2021). On a global scale, commercial banks need to align themselves with the world changes to survive and sustain development in business environments. These banks need qualified and committed employees to continue progress since motivated employees equipped with technological knowledge perform more productive (Somavia, 2011; Yuesti & Sumantra, 2017). However, banks are suffering from employees with insufficient knowledge, experience, and skills in banking which highlights the role of

the human resources sector in tackling this problem (Chadha and Parimoo, 2017; Westerman et al., 2020).

On the other hand, core competence is a fundamental concept to bank renewal and triggers strategic changes and, thus, has captured the interests of both managers and scholars (Faiz, 2014). Core competence is a primary factor for strategy formulation as it is an important source of profitability. One stream of research suggests that core competency is at the base of all competitive advantages (Nimsith et al., 2016).

Employees with a commitment to work play a crucial role in promoting performance. Customer satisfaction is the basic aim of banks in general (Bamfo, et al., 2018). Committed employees make this possible by taking actions honestly to meet the requirements of the customers (Prince and Mihalicz, 2019). In reality, some obstacles hinder managers from reaching their purpose; issues concerning the employee engagement level. Lack of willingness

among employees to perform efficiently declines the quality of bank performance. These kinds of banks attempt to elevate the quality of performance and create an ideal competitive atmosphere. So, this study will focus on the role of managers in tackling the issue of promoting Jordanian commercial banks.

The practice of the human resources sector in Jordanian business environments has a significant impact on the organization's financial performance and the employee's productivity (Abdel-Qader and Al-Mahayreh, 2015). The reason behind conducting this research is rooted in the problem that the majority of Jordanian bank managers follow the traditional method of giving incentives to their employees, in general. Managers adopting this approach pay due consideration to negative incentives that inflict penalties on insufficient employee performance rather than going for effective incentive styles or employing positive incentives (Al-Khasawneh, 2015; Rizki et al., 2017). Creating a friendly working atmosphere and resource support are adequate factors for improving employee performance which are the foundation of an ideal organizational performance. In addition, leadership, competence, and organizational work culture are factors to improve employee performance (Atikah & Qomariah, 2020; Qamirah et al., 2023).

The concept of competence, as one of the most diffused terms in management, refers to six skills including effective leadership skills, problem-solving skills, communication skills, customer orientation, results orientation, and team orientation skills (Davies et al., 2020; D'zurilla, et al., 2004; Kleinplatz et al., 2020).

Leadership is one of the organizational variables with a potential impact on employee performance (Velu et al., 2017). Furthermore, a key factor for organizational optimization is employee performance which has been a long-standing interest of researchers because employee performance is an important indicator of leadership effectiveness (Shang, 2023).

This phase highlights the significance of open communication and the free exchange of ideas and feelings within the work environment. It emphasizes the need for a supportive atmosphere that encourages learners to feel secure and actively participate in two-way communications (Westerman et al., 2020). Furthermore, management hesitates to practice effective communication, which becomes problematic for the bank as because of lacking data and weak action plans. Having managers with a poor communication skill is one of the defects of banks. Their improper communication leads to organizational losses (Devkota, 2020).

Problem-solving aims to improve the situation concurrently elevate positive outcomes and reduce the risk of negative results ((D'zurilla et al., 2004; D'Zurilla & Nezu, 2010; Shim, S., Serido & Lee, 2019). If employees have the skill to orient problem-solving positively, they face fewer challenges in crisis (Shim et al., 2019). Customer orientation is for relationships with the market (Lee et al., 2021). It is also an important skill for successful firm performance (Nurfarida et al., 2021). Bank management should be aware of employee turnover as it has a direct impact on bank customer service and overall profitability (Akber et al., 2024).

Earlier studies have claimed that employee performance is subject to core competencies such as communication and leadership skills (Chan, 2006; Hargett et al., 2017), customer service orientation skills (Lonial & Carter, 2015; Poudel et al., 2019), solve-problem skills (Moon, 2017; Wu et al., 2017), and employee relations with supervisor (Islam et al., 2014). When employees are equipped with core competency skills, they are expected to perform more effectively facilitating the managers' ability to follow organizational targets.

## 2. LITERATURE REVIEW

In the current dynamic global market, competition is growing rapidly and organizations are involved in it (Ghaith et al., 2018). Currently, banking sectors are experiencing turbulent financial moments due to factors such as liquidity, inflation, exchange rate, credit, cash flow, etc. Thus, banks need to equip themselves with procedures and tools to face these challenges by enhancing employee performance to enable them to survive during an economic crisis (Al-Ettayem and Zu'bi, 2015). However, banks are unable due to a lack of experience and inability to meet customer demands efficiently; meanwhile, bank employees in Jordan are not qualified to do services appropriately. On the other hand, the bank management is unable to deal with the problems faced by its unqualified employees (Shammout and Haddad, 2014).

This literature review explores the relationship between core competencies and employee performance in Jordanian commercial banks, with particular emphasis on the moderating influence of employee engagement.

### 2.1. Core Competency and Employee Performance

A wide range of explanations is available on the notion of core competency and its role in accelerating the competitive advantage of organizations (Mappigau and Maupa, 2015). Presenting a large set of skills may put organizations in difficulty to choose the right competency to improve performance. As a result, a thorough selection of competence sets will undoubtedly assist in identifying indicators of staff performance (Talaat et al., 2021). The impact of factors such as leadership, employee competence, and organizational work culture on employee performance at Bank Jatim was examined. The results revealed that employee performance at Bank Jatim is subject to two factors leadership and employee competence (Qomariah et al., 2023).

Effective communication plays a crucial role in employee performance, teamwork, and customer relations. Poor communication skills are associated with issues such as employee dissatisfaction, the intention to quit, a lack of commitment, and stress. Creating an open and supportive communication environment is essential for organizations to achieve their goals (Zhou et al., 2024). Given this context, the sustainability of the banking sector relies on the implementation of a new business process, namely, the customer orientation of front-line staff (Ouattara, 2022). Customer orientation is concerned with the significance and value attributed by the frontline employee to the needs, desires, and expectations of the customer (Elbirou, 2024). Additionally, through employee surveys and feedback, team building and problem-solving, and open communication

between employees and management, employee involvement can be ensured when the employees assume themselves as contributors to organizational success and improve employee performance (Mary and Ramesh, 2021). Furthermore, the issue of industry performance, in the context of interpersonal, problem-solving, and technical skills has a crucial role in the survival of industries worldwide (Sarangal et al., 2020; Zhou et al., 2020).

## 2.2. Employee Engagement as a Moderator

Employee engagement exerts a significant moderating influence on the relationship between core competency and employee performance. Engaging in true job-related behaviour increases job performance, employee attitude, and their financial status of employees (Kerdpitak and Jermstittiparsert, 2020). Degrees of engagement and improved morale result in increased productivity and product quality, reduced costs, and a tumid degree of accountability (Andries and Czarnitzki, 2014; Kerdpitak and Jermstittiparsert, 2020). Using a particular leadership style, would greatly enhance employee engagement at work. Equally,

leadership is the bedrock of all accomplishments (Hameed, 2021). Leadership has positively impacted employees, including greater work behaviours, performance, and engagement at work (Javed et al., 2019; Mitchell et al., 2015).

## 3. METHODOLOGY

This study employs a quantitative research design to investigate the impact of core competency on employee performance in Jordanian commercial banks while considering the moderating role of employee engagement. The study utilizes a random sampling technique to select participants. The sample will include middle managers. In all conventional commercial banks duly operating in Jordan, the branch managers are assumed with the operational responsibility of evaluating core competency in enhancing the employee performance. As a result, they are considered by this study to be more appropriate and suitable to treat all the listed items in the questionnaire and further respond objectively to other issues that can assist in the successful completion of this study, hence the justification for selecting the branch managers. Data are collected through a questionnaire survey. The questionnaire items are related to core competency, employee engagement, and employee performance. The questionnaire is distributed electronically to participants, allowing for a larger sample size and broader representation (Figure 1).

### 3.1. Hypotheses Development

Effective core competency positively influences employee

performance in Jordanian commercial banks. To build a competitive advantage in a varying environment, firms are now focusing on building core competency (Pokharel et al., 2020). Core competencies are subject to a variety of factors that determine the performance of people. Employee performance measures the effect of actions taken by employees to facilitate the business's good achievement. The concept of core competency refers to the method of carrying out responsibilities aligned with the job description. Performance is defined as the skill of accomplishing a task within the parameters that have been established in advance. Employee performance is subject to a variety of core competencies (Armstrong, 2006; Kirkpatrick & Locke, 1996). Mwithi (2016) studied the effect of leadership competencies on the performance of state corporations in Kenya. The results revealed that all the leadership competencies had a positive and significant impact on the financial performance of state corporations. However, the difference lay in the degree of the influence of certain leadership competencies. Hence;  
H<sub>1.1</sub>: Leadership has a significant effect on employee performance in Jordanian commercial banks.

The important role of communication skills as one of the elements of core competency has been extensively studied in employee performance (Payne, 2005; Mikkelsen et al., 2015).

A study by Friolina et al. (2017) thrived to find out whether factors such as competence, communication, and commitment play any roles in the performance of civil servants. The results derived from the study showed that competence has a positive and significant effect on the civil servants' performance in DET Bondowoso. It is claimed that if civil servants' duties suit their competencies, their performance is promoted. Yu and Ko (2017) surveyed the role of communication competency as a mediator in the relationship between self-leadership and work performance. The findings showed that communication competence and self-leadership are positively correlated with nursing performance.

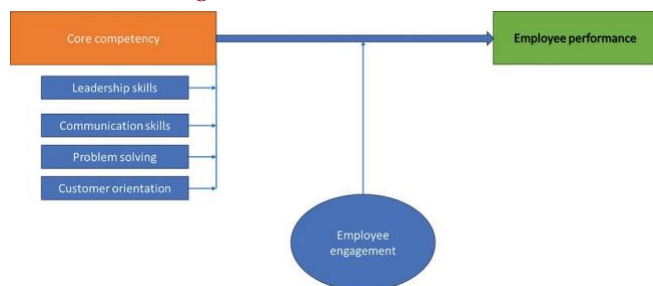
H<sub>1.2</sub>: Communication has significant effect on employee performance in Jordanian commercial banks.

Organisations are increasingly expected to invest in the problem-solving skills of their employees (Flynn et al., 2010). Whenever the members of problem-solving groups are capable of executing a problem-solving process on their own, they can work independently, without additional external resources, and grow in process improvement maturity (Netland, 2016). Abosede and Adesanya (2017) investigated the connection between self-efficacy and problem-solving skills with secretaries' job performance in Ogun State, Nigeria. The result showed that the predictor variables accounted for the performance of secretaries in public service, implying that self-efficacy and problem-solving skills contribute significantly to secretaries' performance.

H<sub>1.3</sub>: Problem-solving has significant effect on employee performance in Jordanian commercial banks.

Customer orientation is an important driver of not only superior firm-related performance, such as financial and market performance (Karpen et al., 2015) but also as a driving force that encourages sellers to understand the value chain of their buyers to enable them to create high value for them (Narver and Slater, 1990). It is claimed

Figure 1: Theoretical framework



that customer orientation triggers superior firm performance. It supports the hypothesis that focusing on creating customer value enables a firm to outperform, thus promoting customer satisfaction, loyalty, and innovation (Frambach et al., 2016).

H<sub>1.4</sub>: Customer service orientation has a significant effect on employee performance in Jordanian commercial banks.

In this study, employee participation as a mediating variable impacts the relationship between core competency and employee performance. Employee engagement as a mediating variable in the relationship between core competency and employee performance in the context of the financial industry based in Jordan has been neglected (Ahmed et al., 2016). Engagement and performance have both direct and indirect relationships. In terms of immediate interactions, it has been demonstrated that individual and group engagement are pertinent to organizational as well as employee performance (Yadav and Sushil, 2024).

Previous scholars investigated self-efficacy and employee performance as mediators on the link between antecedents and job performance and found that employee engagement as a mediator plays a stronger role in the relationship compared to self-efficacy (Alsheikh 2023; Yén, 2019). Employee engagement also mediated drastically the relationship between job performance and supportive colleagues. It also mediates not only the link between peer support and performance, but also the relationship between self-efficacy and job performance (Xanthopoulou et al., 2008).

When these aspects of core competency are satisfactory to employees, they are expected to outperform to pave the way for organizations to achieve their goals. Therefore, a positive relationship between the dimensions of core competency and performance has been evident in the behavioural management discipline.

H<sub>2</sub>: The mediating effect of employee engagement on the relationship between core competency and employee performance.

## 4. ANALYSIS AND DISCUSSION

In the beginning, the findings of the respondents' profiles are addressed. The calculation outcomes that can then be calculated by factor analysis, reliability analysis, and descriptive analysis are elaborated. Structural model research was also addressed which was part of the hypothesis test. Demographic data including gender, age, experience, and education was gathered to determine if the conclusions differed on their basis. The Table 1 shows the results of demographics.

The Table 1 shows that most respondents were male, comprising 66.54% of the sample, while females accounted for 33.46%. Regarding age distribution, the largest proportion of respondents is below 25 years old, representing 36.80% of the sample, followed by the second group of respondents between 35 and 45 years reflecting 25.65% of the sample. In terms of experience, the highest frequency was observed in 3 years to <5 years category, constituting 33.46% of respondents, while those with 1-3 years of work experience and 5-10 years of experience accounted

for 29.37% and 21.93%, respectively. Furthermore, regarding academic qualifications, the majority of respondents held a bachelor's degree, comprising 63.20% of the sample, followed by those with a postgraduate qualification at 29.37%, and a diploma at 7.43%. These findings provide insights into the demographic composition of the sample population, which can be valuable for understanding the perspectives and characteristics of participants in the study.

### 4.1. Reliability

A factor loading test determines the reliability of each item in a questionnaire. It is a rule that items must exceed 0.50 load (Hair et al., 2017). The table consists of basic factor loadings for each measuring element's first-order constructs. The t-test is at level  $p < 0.001$  of all loads. All loads surpass this minimum value however, some items were excluded from the scale due to low factor loadings. It is common to exclude some items with low factor loading from the questionnaire when they show less than 0.50 value (Hair et al., 2017).

Table 2 presents the results of the reliability test conducted for the variables included in the study. The Cronbach's alpha coefficients indicate the internal consistency reliability of each variable, with higher values indicating greater reliability.

The findings revealed that the first-order dimensions and the single-order constructs surpass the benchmark values for the loadings, average variance composite reliability, and Cronbach alpha. Only three items were deleted due to low factor loading WE10, COM11, and COM12. The items were deleted as their loadings

**Table 1: Demographics (n=269)**

Variable	Category	Frequency	Percentage
Gender	Male	179	66.54
	Female	90	33.46
Age	<25	99	36.80
	More than 25-<35 years	60	22.30
	More than 35-<45 years	69	25.65
	More than 45-<60 years	41	15.24
Marital status	Single	91	33.83
	Married	170	63.20
	Widowed/separated	8	2.97
Education	Diploma	20	7.43
	First degree	170	63.20
	Master	79	29.37
Experience (years)	<1 year	30	11.15
	More than 1 year-<3	79	29.37
	More than 3-<5	90	33.46
	More than 5-<10	59	21.93
	More than 10-<15	11	4.09

**Table 2: Results of the reliability test conducted for the variables included**

Variables	Cronbach alpha	Items
Leadership	0.747	4
Communication	0.86	10
Problem solving	0.871	4
Customer orientation	0.849	7
Employee engagement	0.901	10
Employee performance	0.846	5



were less than the recommended value of 0.50. Based on prior studies, the items can be deleted if the factor loading is less than 0.50 (Afthanorhan, 2013). This shows that all the measurement tools adopted to measure the variables of the study are reliable enough to be further processed for the data analysis.

## 4.2. Validity

Three approaches are used to assess the validity of questionnaire in this study, including (1) the Fornell-Larcker criterion; the matrix for similarity in Table 3. indicates that the AVE square root of each pair of construct reaches its ultimate value. The findings of cross-loads show that all items loaded higher than other constructs in their respective construct and the variations in cross-loads exceed the 0.50 threshold (Hair et al., 2017). Finally, as seen in Table 4 effects of the HTMT ratio indicate that the HTMT values dropped below the 0.85 or 0.90 threshold.

## 4.3. Structural Model Assessment

PLS-SEM as a method fails to apply traditional goodness fitness measures (Ramayah et al., 2017). A structural model was adopted in this study. In this model, the collinearity of the structure is measured (Hair, 2010). The Variance Inflation Factor (VIF) value is the only solution to identify collinearity problems. In this analysis,

two sets of collinearity constructs are tested. To verify multicollinearity, the VIF values are measured using SPSS (version 22.0). In this study, marginal collinearity was found in the structural

model as the typical cut-off threshold of 5-10 is much below all VIF values (Hair, 2010). Table 5 shows the VIF of the constructs.

Next, the structural model predictability is computed using variance that explains R<sup>2</sup> values for the dependent latent constructs. R<sup>2</sup> is subject to the area of research. The values of 0.67,

0.33, and 0.19 as measures of the R<sup>2</sup> are substantial, moderate, and weak respectively. As for the  $R^2_{(\text{Employee Engagement})} = 0.454$ , and the  $R^2_{(\text{Employee Performance})} = 0.618$ , the values are counted as substantial and acceptable (Ringle, Sarstedt, and Straub, 2012).

In addition, in this study, the path coefficients were investigated in terms of size and significance. The value of the path coefficients was achieved with the bootstrapping technique (in 5000 samples and 310 cases; without sign changes) (Hair, 2010). In Table 6, the coefficients of the direction, t-statistics, value point, P-values, and related bootstrap confidence were 95%. The study of path coefficients and relevance thresholds indicates the value of all direct results. For methodological inferences, one-tailed corresponding P-values were used for the analysis. Using a one-tailed test is subject to the need for a positive or negative coefficient sign. If there are no assumptions about a coefficient sign, then a two-tailed test is suggested (Kuenzi et al., 2019). The result below shows that:

H<sub>1.1</sub> investigated the relationship between leadership and employee performance, beta value was 0.126, t value = 2.253, and P = 0.012. Hence hypothesis was found supported. H<sub>1.2</sub> assesses the relationship between communication and employee performance, the beta value was 0.099, t value = 1.612, and P = 0.054. Hence hypothesis was found not supported as well, H<sub>1.3</sub> shows the relationship between problem solving and employee performance, the beta value was -0.141, t value = 2.438, and P = 0.007. Hence hypothesis was found not supported. H<sub>1.4</sub> identified the relationship between customer orientation and employee performance, the beta value was 0.521, t value = 7.523, and P = 0.000. Hence hypothesis was found supported. H<sub>2</sub> investigated the mediating effect of work engagement on the relationship between core competency and employee performance, the beta value was 0.246, t value = 3.919, and P = 0.000. Hence, the hypothesis was found supported. As shown in Table 6.

## 4.4. Variance Explained (R<sup>2</sup>)

R<sup>2</sup> is the most appropriate test for assessing the predictive accuracy of the structural model in PLS (Hair et al., 2011). The recommended values between 0.02-0.12, 0.13-0.25, and 0.26% as measures of R<sup>2</sup> are weak, moderate, and above substantial respectively (Cohen, 1988). The R<sup>2</sup> value for employee engagement in the endogenous construct was 0.454%, suggesting that exogenous variables can explain only a 45.4% variance in employee engagement. The R<sup>2</sup> value for employee performance in endogenous constructs was 0.618%, revealing that exogenous variables represent only a 61.8% variance in employee performance. Table 7 illustrates the aforementioned values of variance.

## 4.5. Predictive Relevance (Q<sup>2</sup>)

The model was assessed with R<sup>2</sup> for predictive accuracy. Therefore, the Q<sup>2</sup> value of Stone-Geisser can be used for predictive relevance of the formula. The information about endogenous structure derived from the model is highly accurate (Hair et al., 2014). Blindfolding was done in Smart-PLS to get Q<sup>2</sup>. Every sixth data point was excluded from the indicators of endogenous design and a cross-validated redundancy was used to perform the blindfolding process. The missing data points in the Smart-

**Table 3: Validity**

Variables	COM	CO	EE	EP	LED	PS
COM	0.666					
CO	0.693	0.725				
EE	0.552	0.65	0.729			
EP	0.591	0.747	0.644	0.79		
LED	0.499	0.427	0.410	0.403	0.755	
PS	0.480	0.398	0.331	0.281	0.677	0.850

**Table 4: HTMT**

Variables	COM	CO	EE	EP	LED	PS
COM						
CO	0.800					
EE	0.588	0.730				
EP	0.679	0.871	0.721			
LED	0.578	0.520	0.495	0.501		
PS	0.508	0.461	0.369	0.321	0.822	

**Table 5: Variance inflation factor**

Variable	Work engagement	Employee performance
Communication	2.187	2.23
Customer orientation	1.961	2.412
Employee engagement		1.833
Leadership	2.006	2.047
Problem solving	1.946	1.949

**Table 6: Direct hypothesis result**

Hypothesis	Beta	SE	t	P	LL	UL	Result
H <sub>1,1</sub> Leadership >Employee performance	0.126	0.056	2.253	0.012	0.034	0.217	Supported
H <sub>1,2</sub> Communication >Employee performance	0.099	0.062	1.612	0.054	-0.007	0.200	Not supported
H <sub>1,3</sub> Problem solving >Employee performance	-0.141	0.058	2.438	0.007	-0.235	-0.045	Not supported
H <sub>1,4</sub> Customer orientation >Employee performance	0.521	0.069	7.523	0.000	0.401	0.633	Supported
H <sub>2</sub> Employee engagement >Employee performance	0.246	0.063	3.919	0.000	0.145	0.348	Supported

SE: Standard error

**Table 7: Variance explained (R<sup>2</sup>)**

Dependent variable	R <sup>2</sup>
Employee engagement	0.454
Employee performance	0.618

**Table 8: Predictive relevance (Q<sup>2</sup>)**

Study Variables	SSO	SSE	Q <sup>2</sup> (=1-SSE/SSO)
Communication	2690	2690	
Customer orientation	1883	1883	
Employee engagement	2690	2065.726	0.232
Employee performance	1345	838.008	0.377
Leadership	1076	1076	
Problem solving	1076	1076	

PLS were then operated with as missing. To calculate Q<sup>2</sup>, the difference between the missing and the predicted data points was used (Hair et al., 2014). Table 8 illustrates the value of the Q<sup>2</sup> of Stone-Geisser.

This study highlights the quantitative results of 269 respondents being branch managers in Jordanian commercial banks in understanding the link between core competency, employee performance, and employee engagement. The findings show that employee engagement is a constructive mediator between leadership, communication, and customer orientation skills.

## 5. CONCLUSION

The present study focused on the role of core competency (leadership, communication skills, problem-solving, customer orientation) in promoting employee performance using employee engagement as a mediator. Core competencies are assumed unique intangible resources that could be effectively used to help Jordanian commercial banks stand out from rivals. For instance, talent management is displayed in the practices and procedures that can be noted in the organization, and such structure is temporary, under direct control with limited aspects perceived by the members. As such, core competency can be easily influenced, after which changes in communication may be notable over a short period. This is why core competency may be considered a tool that organizations can manipulate to obtain a competitive advantage. These core competency skills from the perspective of a resource-based view and JD-R constructed the framework of the study. In previous studies, it has been viewed as an important mediator in the link between internal or individual variables and organizational variables. In this study, employee engagement is used as a mediator between individuals' qualifications such as leadership, communication skills, problem-solving, customer orientation, and employee performance. The findings revealed that employee engagement

is a good mediator in the link between communication and employee performance. However, employee engagement is considered a constructive mediator when leadership and communication impact employee performance. These findings have revealed.

Leadership is considered a skill and behaviour that contributes to superior performance. By using a competency-based approach to leadership, organizations can better identify and develop their next generation of leaders (Brownell and Goldsmith, 2006). H<sub>1,1</sub> investigated the relationship between leadership and employee performance, beta value was 0.126, t value = 2.253, and P = 0.012. The relationship between leadership and employee performance was supported in the Jordanian commercial banks. The findings show that leadership contributes to the performance of the Jordanian employees in the banks. While business leaders have a drastic influence on the productivity of their employees, the demands of their positions may make it difficult for them to urge their staff to perform at their best. When combined, a manager's multiple responsibilities (such as ensuring team success, promoting a comfortable work environment, and addressing challenging situations) may easily become disorganized.

Communication is the proficiency of individuals in interacting with colleagues in a team (Fernando and Wulansari, 2020; Pakurár, et al., 2019). H<sub>1,2</sub> assesses the relationship between communication and employee performance, the beta value was 0.099, t value = 1.612, and P = 0.054. The findings revealed that the relationship between communication and employee performance was not supported. A communication is successful when the recipient receives and interprets the sender's message exactly as the sender intended it to be. Personal and organizational communication are two types of communication, and it is noted that they are both important aspects of a person's performance. To maintain a team of employees in an organization to function efficiently, communication programs are needed as the organization grows larger and more complicated (Hoffman, 2017). However, the current study shows that communication as a component of core competency doesn't necessarily increase the productivity of the employees in the Jordanian banking industry.

Problem-solving is the technique that works in analysing situations and applying critical thinking to resolve problems decide on courses of action and implement the solutions developed to overcome problems and constraints (Baker, 2017). H<sub>1,3</sub> shows the relationship between problem-solving and employee performance, beta value was -0.141, t value = 2.438, and P = 0.007. The findings of the study interestingly show that there is no relationship between problem-solving and implied performance in Jordanian commercial banks. Problem-solving is part of the knowledge

characteristics of a job. Jobs with high problem-solving demands require enhanced cognitive abilities while performing the work. Similar to the creative demands of work, it involves preventing problems, diagnosing problems, and generating unique solutions to nonroutine problems (Morgeson and Humphrey, 2006). In the current study, problem-solving failed to affect the performance of the employees. Employees who work under the given procedures and guidelines in banks encounter certain issues. Hence when they follow procedures and guidelines, they might not need this cognitive ability.

Customer service orientation can display positive attitudes and behaviours, which reflect an awareness and willingness to respond to customers and meet their needs, requirements, and expectations (Kaleem and Ahmad, 2018; Rahaman et al., 2023).  $H_{1.4}$  identified the relationship between customer orientation and employee performance, the beta value was 0.521,  $t$  value = 7.523, and  $P = 0.000$ . This shows that the relationship between customer service orientation and employee performance in Jordanian commercial banks is supported by the data collected. Customer service orientation is a capability that encourages one to fulfill the expectations and demands of the customers and to increase their interest in your services and products when employees are a group with these capabilities. They bring more business to the organization which in return increases their performance towards the organization. The results of a series of previous studies support the view that a significant positive relationship exists between customer orientation and performance. Work engagement enables employees to mobilize their job resources and generally be more engaged in their work (Bakker, 2011).  $H_2$  assessed the relationship between employee engagement and employee performance, the beta value was 0.246,  $t$  value = 3.919, and  $P = 0.000$ . Hence hypothesis was found supported. A dedicated staff is the cornerstone to great job performance, yet many firms fail to succeed because their workforce is not devoted. In addition, the excellent performance of employees is the primary driver of the success of a business, regardless of the sector in which the work is done. However, it is important to keep in mind that certain factors, such as motivation, cannot be easily measured and, as a result, must be deduced from actions and body language to be understood.

Briefly, similar to previous studies, this study is one of its kind that has several significances. First of all, the current study was based on three major theories including the job demand resource model, social exchange theory, and resource-based view theory. This study enriched prior literature on employee performance, whereby a framework was developed to examine employee performance in the presence of a few core competencies (leadership, problem-solving, communication, and customer service orientation) with the mediation of employee engagement. Therefore, this is the first study to use the current framework in the Jordanian banking sector. There is no evidence to prove the current framework has been applied in Jordanian banks. Secondly, this study examined the performance of licensed banks in Jordan. Earlier, there were no known studies that have adopted this methodology for this framework in the context of Jordanian banks. The findings of the study contribute to the resource-based theory and job demands-

resource model by showing the importance of core competency and employee engagement in the performance of banks.

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