

The Effect of Competency, Organizational Culture and Compensation on PPPK Employee Performance using Motivation as Intervening Variable: The Case of the Land Office of South Sumatera, Indonesia

Redy Lesmana, Diah Isnaini Asiati & Fadhil Yamaly

Universitas Muhammadiyah Palembang

Email: lredy08@gmail.com

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Abstract

This study aims to determine the effect of competence, organizational culture, and compensation on the performance of PPPK, with motivation serving as an intervening variable, at the Land Office in South Sumatra. This type of research is associative. The variables used by the researcher are competence, organizational culture, compensation, motivation, and performance, which are developed into 11 indicators. The population of this study consisted of all 149 PPPK employees at the Land Office in South Sumatra, and the research sample comprised 110 employees, selected using a Simple Random Sampling technique. The data used in this study were primary data collected using a questionnaire. The data analysis technique used was Structural Equation Modeling (SEM). The results of this study show that: 1) Competence has a significant effect on the motivation of PPPK at the Land Office in South Sumatra. 2) Organizational culture has a significant effect on the motivation of PPPK at the Land Office in South Sumatra. 3) Compensation has a significant effect on the motivation of PPPK at the Land Office in South Sumatra. 4) Competence has a significant effect on the performance of PPPK at the Land Office in South Sumatra. 5) Organizational culture has a significant effect on the performance of PPPK at the Land Office in South Sumatra. 6) Compensation has an insignificant effect on the performance of PPPK at the Land Office in South Sumatra. 7) Motivation has a significant effect on the performance of PPPK at the Land Office in South Sumatra. Motivation strengthens the effect of competence, organizational culture, and compensation on the performance of PPPK at the Land Office in South Sumatra.

Keywords: Competency, Organizational Culture, Compensation, Employee Performance, Motivation

1. Introduction

Human Resources (HR) is the most critical asset in an organization, as qualified and skilled employees are key to achieving goals and long-term success. HR not only serves as a task executor but also as a driver of innovation and change in the work environment. With effective HR management, organizations can cultivate a positive work culture, a key factor in boosting employee motivation and satisfaction, and maximizing productivity. Furthermore, investing in employee skills and competency development will result in a team that is more adaptive and

responsive to changing market challenges. Therefore, effective HR management is crucial for creating competitive advantage and ensuring organizational sustainability in an increasingly complex global era.

Performance is a crucial aspect of an organization's HR because it directly impacts the achievement of business targets and the sustainability of the business. Performance is not static; rather, it is influenced by various factors, one of the primary factors influencing performance being competency. High competency means employees possess the relevant skills and knowledge to perform their tasks effectively. However, competency alone is insufficient without adequate compensation and strong motivation. According to [Wibowo \(2018\)](#), performance is the implementation of a predetermined plan. Performance implementation is carried out by human resources who possess the capabilities, competencies, motivation, and interests.

The Land Office in South Sumatra, a key institution whose functions and duties are regulated by the Ministry of Agrarian Affairs and Spatial Planning/National Land Agency, is the focus of this research. This office, as per Regulation Number 8 of 2015, plays a crucial role in land administration. The performance of Land Office employees in South Sumatra is suboptimal. Data on the performance of the Land Office in South Sumatra still shows performance indicators that have not achieved optimal results, as evidenced by the public satisfaction index. This is due to Government Employees with Work Agreements (PPPK) having difficulty understanding the complex and frequently changing land regulations. This difficulty results in their inability to provide clear and accurate explanations to the public, resulting in slow and inefficient service processes. Consequently, the public is dissatisfied with the service they receive, as reflected in the low public satisfaction index of only 87.30%. A phenomenon observed among Land Office employees is that many feel unable or struggle to complete their tasks on time. This is because some employees are assigned additional tasks that do not align with their skills and abilities. This is evident in the Civil Service Professionalism Index (IKPA), which only reached 86.86% of the set target.

Furthermore, a phenomenon occurring at the land office is related to equipment and facilities. Some employees are using outdated laptops and personal computers to perform their work. This is evident in the majority of laptops and personal computers still running Windows 7 and 8. Furthermore, some employees complain that notebooks and personal computers are very slow and lack sufficient specifications when running specific mapping applications. This hinders the acceleration of mapping activities and the issuance of electronic certificates, as the Ministry of ATR/BPN has implemented digitalization in the issuance of electronic certificates. This is evident in the indicators for the percentage of completeness of coverage and information, as well as the reliability of cadastral maps, which only reached 80.79% of the set target. The inefficiency caused by this outdated equipment is a matter of concern for the Land Office's performance.

The phenomenon of motivation, as an indicator of recognition from superiors, is evident in interviews with several PPPK (Commissioners in Personnel) at several Land Offices. This is reflected in the minimal recognition of their functional positions. They are often excluded from important meetings and activities. Their positions are considered merely supplementary rather than core bureaucratic functions. Furthermore, recognition of their workload is usually unbalanced, as assigned tasks do not take into account their credit score obligations. This significantly impacts PPPK's work motivation. Responsibilities assigned to PPPK are often

unclear or shifting tasks. When data errors or service delays occur, it is difficult to determine who is genuinely responsible. Furthermore, responsibilities are not distributed fairly. Some active and diligent employees are constantly assigned additional tasks, while others, who tend to be passive, receive no additional tasks. This imbalance of responsibility can demotivate even the most dedicated employees, underscoring the need for a more structured and equitable work environment.

The phenomenon of competency is the persistence of government employees with performance agreements at the Land Office, where these employees are given additional tasks beyond their skills, making it difficult for them to carry out and ultimately impacting their performance. The phenomenon of PPPK self-concept in the land office is that employees feel less confident in completing work, such as being less involved in carrying out activities both inside and outside the office, then some PPPK employees also feel that they are not important or have no influence so that they only work as ordered, they work to fulfill their obligations rather than from inner motivation. This dramatically affects the performance of the employees themselves. The compensation issue observed in several PPPKs (Commissioned Personnel Officers) at various land offices is a matter of grave concern. The frequent delays in salary payments, with some PPPKs not even receiving their performance and functional allowances, are significantly impacting work morale. The delay from the initial placement in November to April 2024 is a critical factor that needs immediate attention. When employees feel unappreciated after diligently performing their duties, it not only affects their motivation but also their commitment to the organization. In addition to Competence, Compensation, and Motivation, researchers found a phenomenon of organizational culture among PPPK employees at the Land Office in South Sumatra, characterized by results-oriented indicators. Employees work solely according to their personal mood and work less than expected. Employees demonstrate inadequate attitudes and values, resulting in suboptimal work output. Furthermore, there are indicators of team orientation, where employees maintain poor relationships and communication. It's crucial to address the lack of team cohesion, as it is hindering the creation of a harmonious work environment.

2. Literature Review

How an organization values and treats its human resources will influence their attitudes and behaviors in carrying out performance. According to [Kasmir \(2019\)](#), factors that influence performance include competence, knowledge, work design, personality, work motivation, leadership, leadership style, organizational culture, job satisfaction, work environment, loyalty, commitment, and work discipline. Work discipline, in this context, refers to the adherence to rules and regulations, punctuality, and the ability to maintain a professional work ethic. According to [Kasmir \(2019\)](#), motivation is one of the factors that can influence performance. Motivation is an internal drive that drives individuals to act and achieve specific goals. In the workplace, motivation plays a crucial role in enhancing employee performance, as it inspires their enthusiasm and commitment to their assigned tasks. When employees feel motivated, they tend to exhibit higher productivity, greater creativity, and greater job satisfaction, thus contributing to the overall success of the organization. According to Greenberg and Baron, as quoted by [Wibowo \(2018\)](#), motivation is a series of processes that stimulate, direct, and maintain human behavior toward achieving goals.

Competence influences motivation. [Wibowo \(2018\)](#) states that competence influences motivation because every organization is formed to achieve specific goals. Competence, which

encompasses knowledge, skills, and good work attitudes, can increase employee self-confidence. When employees feel competent in their work, they tend to be more motivated to achieve optimal performance. Competence also influences employee performance. According to [Wibowo \(2018\)](#), competence leads to a results-oriented work orientation, a mindset that focuses on achieving specific outcomes and delivering high-quality work. This orientation, coupled with the ability to influence others, increased initiative, and so on, will improve the performance of subordinates and their contribution to the organization.

Compensation influences motivation. According to [Wibowo \(2018\)](#), compensation is a counter-performance in exchange for the use of labor or services provided by employees. Compensation is the total package offered by an organization to employees in return for the use of their labor. According to [Hasibuan \(2017\)](#), competitive and fair salaries are essential factors that drive employee work motivation. Salaries that are commensurate with workload and responsibilities not only make employees feel appreciated but also respected, thus encouraging them to perform better and be loyal to the company. Compensation is a significant influencer of performance. Spencer, as cited in [Moeheriono \(2017\)](#), emphasizes the crucial and close relationship between competency and performance. This relationship is not just a mere association, but a causal one. Therefore, according to Spencer, the connection between employee competency and performance is not only close but also pivotal. Its relevance is robust and precise. In fact, employees can enhance their performance by aligning their competencies with their job duties (the right men on the right job).

Aside from competency and compensation, organizational culture is another key factor that can influence performance. [Sedarmayanti \(2017\)](#) defines organizational culture as a set of beliefs, attitudes, and values that are generally held within an organization. In simpler terms, culture is the way we do things here. Organizational culture plays a pivotal role in shaping the behavior and interactions of its members, thereby influencing their work methods. It is expected that a strong organizational culture will create an environment that fosters improved individual performance. As a system of beliefs and values developed by an organization, organizational culture guides the behavior of its members. Members will act to achieve organizational goals as guided by the organization through the implementation of activity guidelines in the form of operational procedures. Organizational culture is the sharing of social knowledge within an organization regarding rules, norms, and values that shape employee attitudes and behavior. In other words, the sharing of expertise internalized by organizational leaders to all members regarding regulations, standards, and values, so that the result of this internalization process can shape the attitudes and behavior of organizational members. Organizational culture plays a pivotal role in shaping employee motivation. A conducive and comfortable culture can create a sense of ease and calm among employees, fostering their motivation. Conversely, a less conducive culture can lead to discomfort and a lack of motivation, especially if it conflicts with employees' personal beliefs. A positive organizational culture, however, can inspire comfort and enthusiasm, motivating employees to perform well in a supportive work environment.

Several empirical studies on the relationship between the above variables include those conducted by [Saputri and Marginingsih \(2024\)](#), whose research results showed that competence had a significant effect on employee performance; in contrast, research conducted by [Afifah, Kurniasih and Rachman \(2024\)](#) showed that competence had no significant impact on employee performance. Furthermore, several previous studies conducted by [Sudira \(2022\)](#) showed that competence had no significant effect on motivation. Meanwhile, research conducted by [Nurjana and Solehudin \(2022\)](#) showed the opposite result, namely that competence had a substantial

impact on motivation variables. Research conducted by [Lianasari and Ahmadi \(2022\)](#) on the relationship between competence and employee performance through motivation as an intervening variable showed that competence had no significant effect on performance. Meanwhile, research conducted by [Nurjana and Solehudin \(2022\)](#) demonstrated that competence, with motivation as an intervening variable, has a significant impact on employee performance. This is a research gap in this study.

Research linking employee performance with compensation was conducted by Gusti Maulana [Izhar et al. \(2024\)](#), who showed that compensation had no significant effect on employee performance. This was a quantitative study that used regression analysis to examine the relationship. Meanwhile, research conducted by [Nasir et al. \(2022\)](#) showed that compensation has a significant impact on employee performance. This was also a quantitative study that used a similar methodology. Furthermore, research linking compensation to motivation was conducted by [Iba \(2024\)](#), showing that compensation had a significant effect on motivation. This was a qualitative study that used interviews and surveys to gather data. Research conducted by [Sudira \(2022\)](#) showed that compensation had no significant impact on motivation. This was a mixed-methods study that used both quantitative and qualitative data. Research linking compensation through motivation to employee performance was conducted by [Iba \(2024\)](#), who showed that compensation significantly influenced performance, with motivation as an intervening variable. This was a mixed-methods study that used both quantitative and qualitative data.

Meanwhile, research conducted by [Sudira \(2022\)](#) showed the opposite, that compensation did not significantly influence performance through work motivation as an intervening variable. This finding highlights a crucial research gap in this study, which, if addressed, could significantly contribute to the field. Research linking performance with organizational culture conducted by [Nur, Nurmayanti and Tatminingsih \(2020\)](#) showed that organizational culture significantly influences performance. However, research conducted by [Nasir et al. \(2022\)](#) showed that organizational culture had no significant effect on employee performance. This discrepancy also points to a significant research gap that, if filled, could have a substantial impact on future research in this area. Research linking employee performance with motivation conducted by [Ridhasyabina, Nugraha and Nurdiana \(2025\)](#) revealed that motivation had no significant effect on employee performance. The study stated that work motivation has an insignificant impact on employee performance. This finding contradicts previous research conducted by [Ratnasari and Sutjahjo \(2021\)](#), which found that work motivation has a significant influence on performance. This constitutes a research gap in this research.

3. Research Method

The object of this research was conducted at the Land Office in South Sumatra, a key institution whose functions and duties are regulated by the Ministry of Agrarian Affairs and Spatial Planning/National Land Agency. The research method employed in this study is quantitative. The variables in this study comprise four variables: independent variables (X1, X2, and X3), intervening variables (Y1), and dependent variables (Y2). The independent variable is performance, which is measured by work quality, punctuality, and the availability of tools and facilities. The motivation variable is an intervening variable with indicators of recognition from superiors and responsibility. The independent variables are competence, organizational culture, and compensation. The indicators of competence are skills and self-concept. The indicators of organizational culture are results orientation and team orientation. The indicators of

compensation are salary and benefits. The population used in this study consisted of all PPPK personnel, who play a crucial role in the Land Office Environment in South Sumatra, totaling 149 individuals. This study involved 11 indicators, and after referring to the guidelines above, the required minimum sample size of 11×10 is equal to 110 employees at the land office in South Sumatra. The types of data needed for this study are primary and secondary data. The method used in data collection is a questionnaire. The analysis method used in this study is structural equation modeling (SEM).

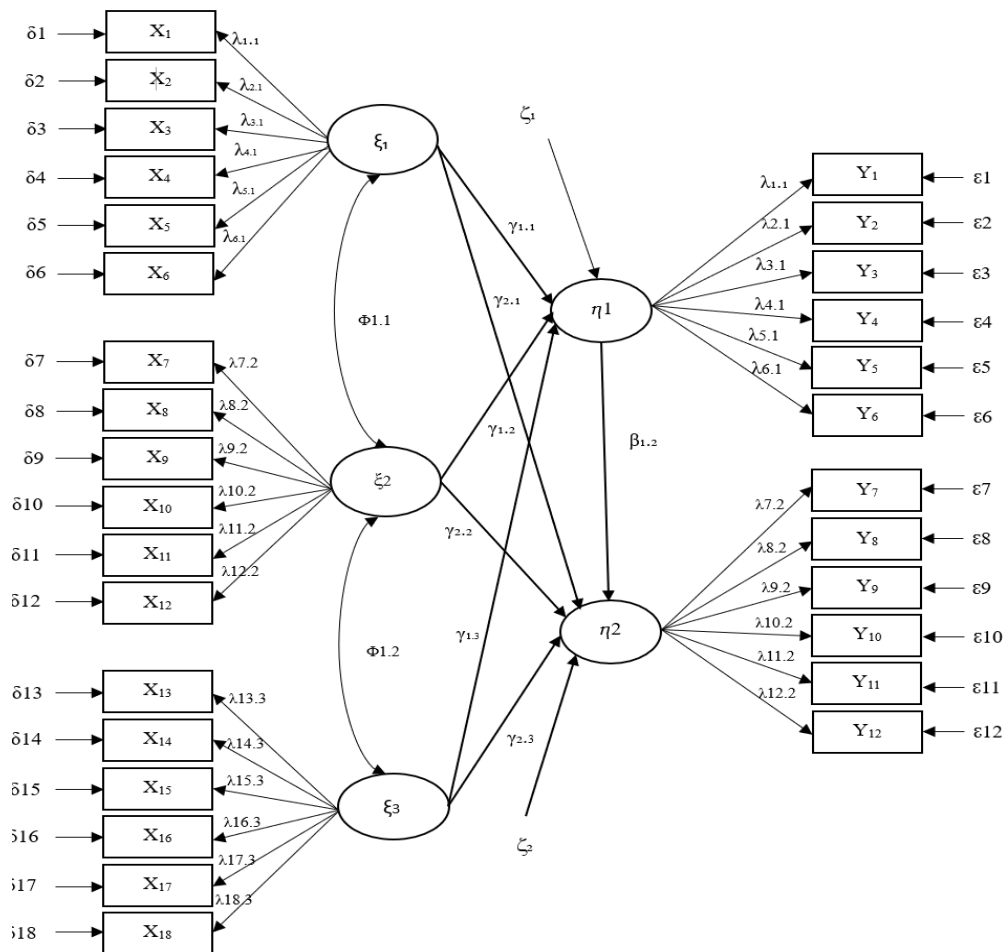


Figure 1. Structural Equation Modeling

Note:

- ξ_1 : Exogenous latent variable of competency
- ξ_2 : Exogenous latent variable of organizational culture
- ξ_3 : Exogenous latent variable of compensation
- η_1 : Endogenous latent variable of motivation
- η_2 : Endogenous latent variable of employee performance
- γ : Direct relationship with exogenous towards endogenous variable
- ζ : Error term
- β : Direct relationship with endogenous towards endogenous variable
- δ : Measurement error of exogenous variable
- Φ : Covariance matrix of construct

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E : Measurement error of exogenous variable's indicators
 λ : The relationship between exogenous/endogenous variables towards its indicators
 X_1 - X_6 : Indicators of competency
 X_7 - X_{12} : Indicators of organizational culture
 X_{13} - X_{18} : Indicators of compensation
 Y_1 - X_6 : Indicators of motivation
 Y_7 - X_{12} : Indicators of employee performance
 The equation model is as follows:

$$\eta_1 = \gamma_{1.1} \xi_1 + \gamma_{1.2} \xi_2 + \gamma_{1.3} \xi_3 + \zeta_1$$

$$\eta_2 = \gamma_{2.1} \xi_1 + \gamma_{2.2} \xi_2 + \gamma_{2.3} \xi_3 + \beta_{1.2} \eta_1 + \zeta_2$$

4. Findings and Discussions

Confirmatory Factor Analysis (CFA). This analysis was carried out on all constructs separately in order to test the measurement model through an evaluation of construct validity and construct reliability. Competency is referred to as kompeten, organizational culture is referred to as budaya, compensation is referred to as kompensasi, motivation is referred to as motivasi and employee performance is referred to as kinerja hence after. The CFA results show that all loading factor variables have values greater than the error value (0.05). This indicates that the CFA (Confirmatory Factor Analysis) test at the initial stage has met the requirements for the next stage of testing.

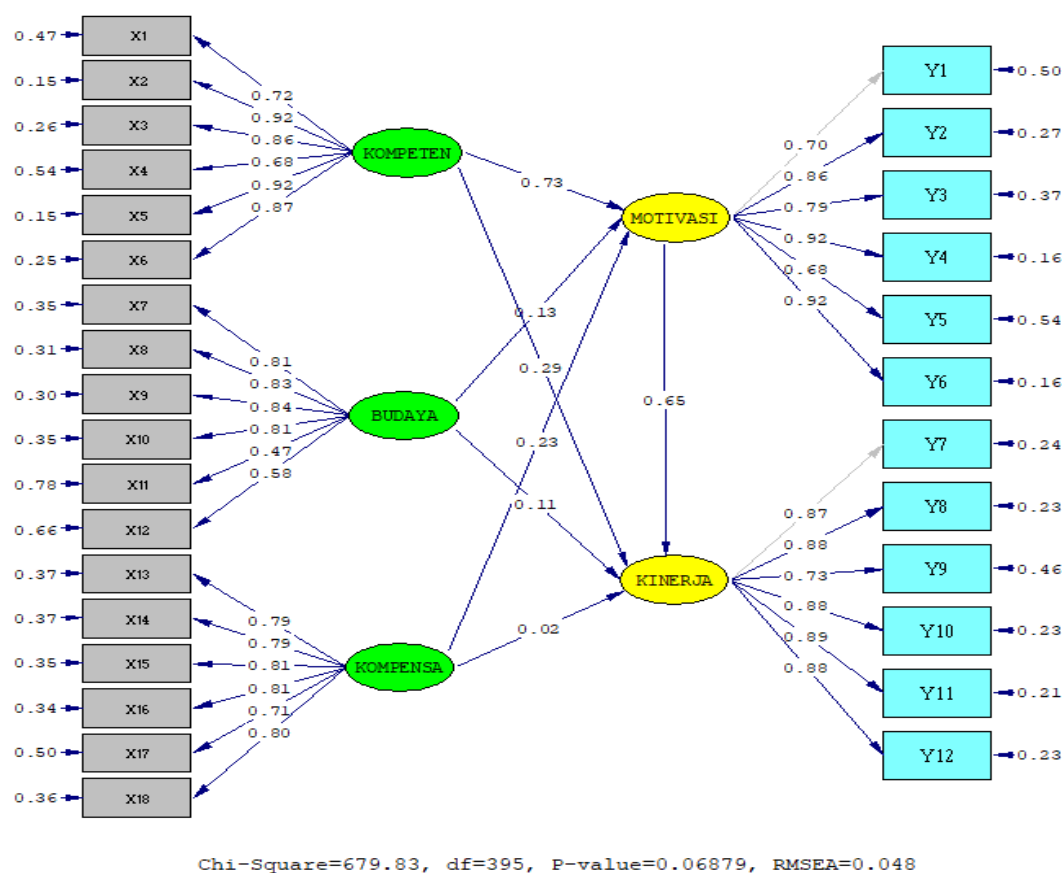


Figure 2. Confirmatory Factor Analysis

Based on the goodness of fit index results, it can be concluded that model meets the criteria of goodness of fit as can be seen in Table 1.

Goodness of Fit Index	Cut of Value	Result	Evaluation
P-Value	$\geq 0,05$	0,06	Good Fit
RMSEA	$\geq 0,1$	0.04	Good Fit
GFI	$\geq 0,90$	0.8	Fit
NNFI	$\geq 0,90$	0.95	Good Fit
SRMR	$\geq 0,1$	0.074	Good Fit
IFI	$\geq 0,90$	0.94	Good Fit
CFI	$\geq 0,90$	0.96	Good Fit
RFI	$\geq 0,90$	0.92	Good Fit
NFI	$\geq 0,90$	0.94	Good Fit

Below are the results of the structural equation model, including both the coefficients and the t-value.

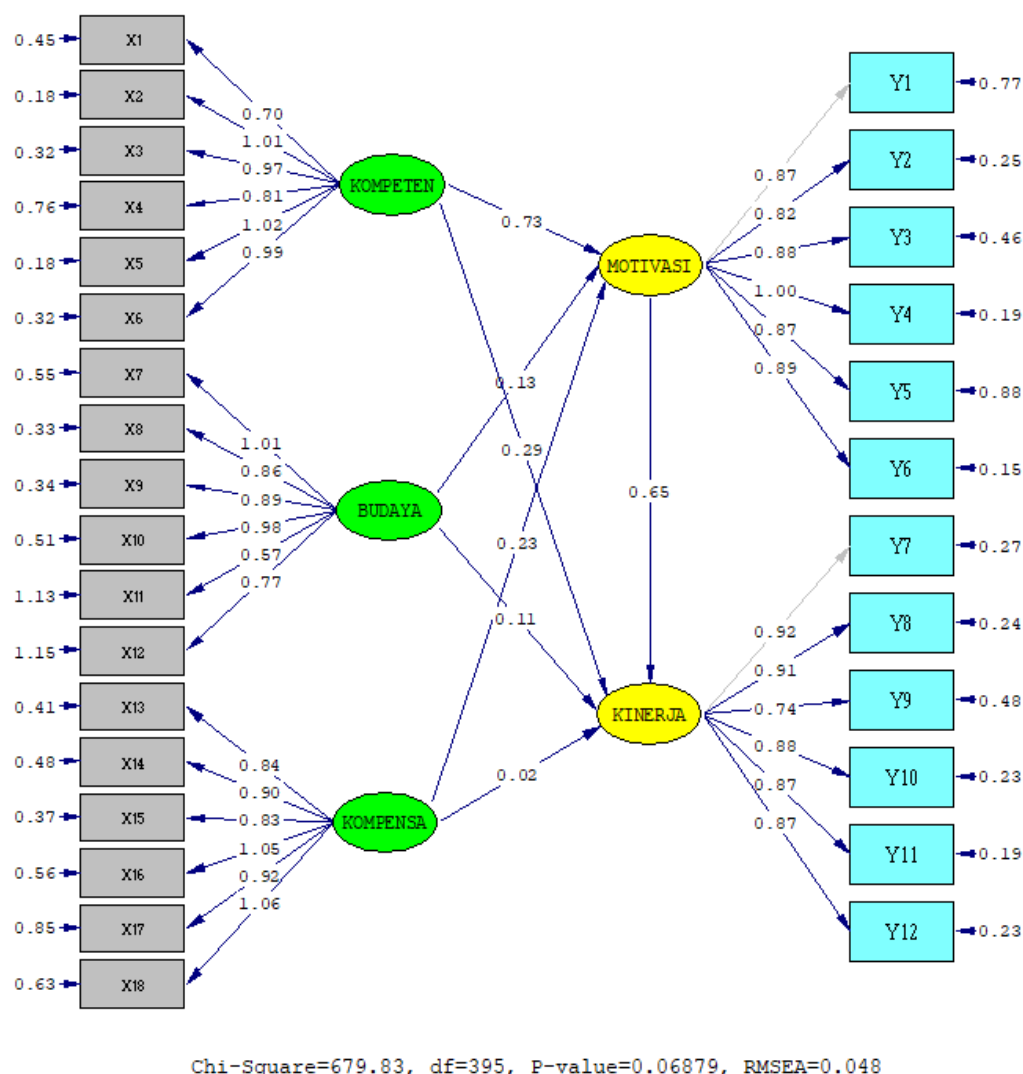


Figure 3. Structural Equation Modeling Coefficients

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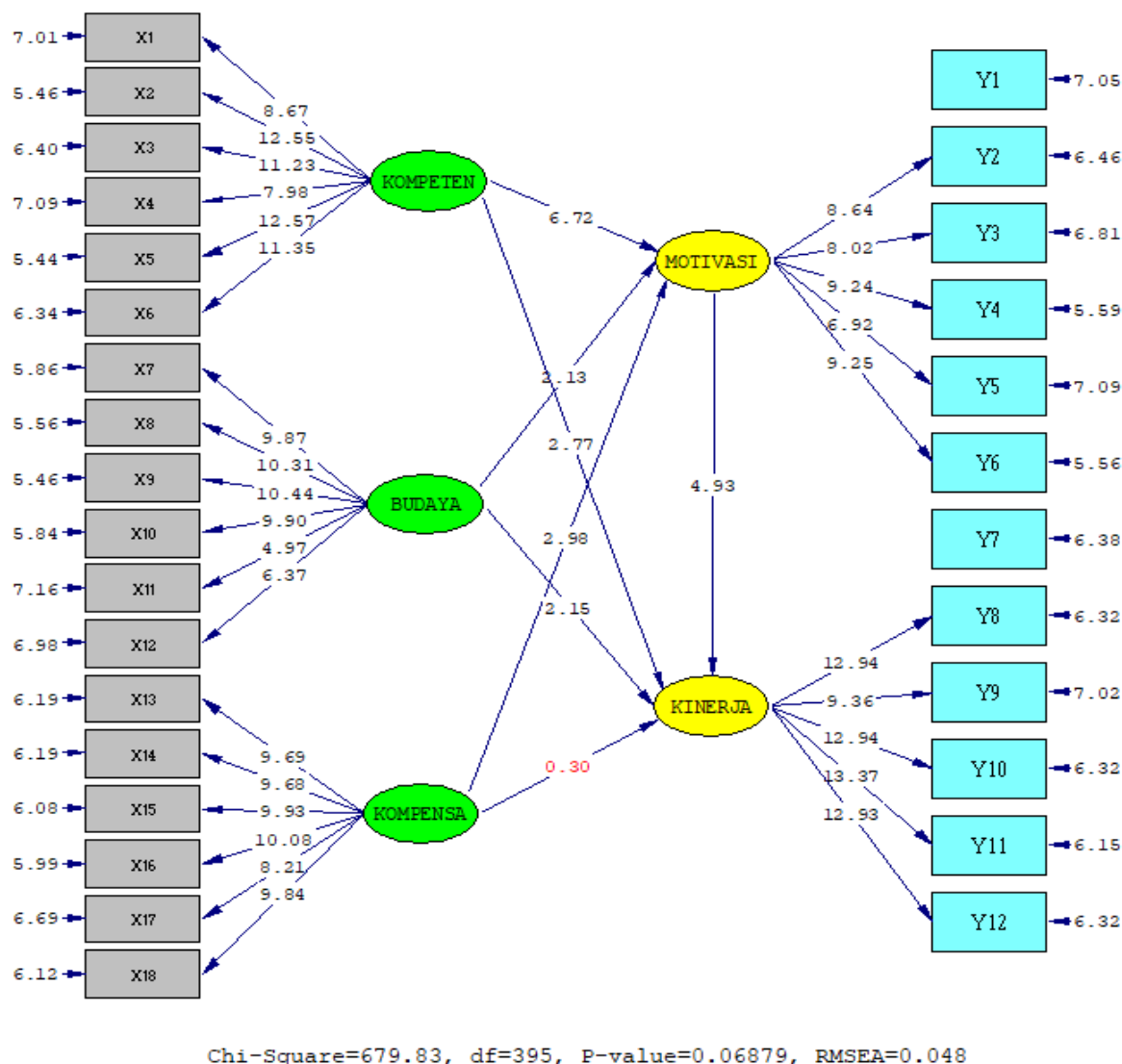


Figure 4. Structural Equation Modeling t-value.

The influence of competence on motivation. The t-value calculated was 6.72, which is greater than 1.96, thus rejecting H_0 . This means that competence significantly influences the motivation of PPPK (Employee Relations Officers) at the Land Office in South Sumatra. The results of this study indicate that an increase in competence will increase motivation, and conversely, a decrease in competence will decrease employee motivation. This research, which aligns with the findings of [Nurjana and Solehudin \(2022\)](#), demonstrates the significant influence of competence on motivation. Some employees feel they don't receive recognition commensurate with their abilities and position, leading them to feel underappreciated. Furthermore, the perceived unfair distribution of work responsibilities is also a contributing factor. As a practical implication, researchers recommend that addressing the issue of a lack of recognition and unfair distribution of responsibilities, which has a negative impact on employee work motivation, is a crucial issue requiring serious management attention. This phenomenon, often rooted in perceptions of unequal treatment, can erode morale, reduce initiative, and ultimately hinder the achievement of overall organizational goals. Practical studies show that

superiors' inability to provide recognition commensurate with employee performance, coupled with a perceived unfair distribution of the workload, not only leads to individual frustration but also creates an unhealthy work environment. Therefore, integrated strategic steps are needed, starting with the improvement of transparent reward systems, a thorough evaluation of the distribution of responsibilities, and cultivating a culture of open communication where every employee feels heard and their contribution is valued. These efforts are crucial for rebuilding trust, restoring motivation, and fostering more effective team collaboration.

The Influence of Organizational Culture on Motivation. The t-value calculated was 2.98, which is greater than 1.96, thus rejecting H₀. This indicates that organizational culture has a significant influence on the motivation of PPPK (Employees in the Land Office) in South Sumatra. The results of this study not only confirm the influence of organizational culture on work motivation but also provide a deeper understanding of its impact. An increase in organizational culture is associated with increased work motivation, while a decline is associated with decreased employee motivation at work. This study aligns with and builds upon previous research, such as [Hakim \(2020\)](#) study, which also found a significant influence between organizational culture and work motivation. However, it's important to note that this study also presents a unique perspective, as it disagrees with research conducted by [Lasarudin, Sumarsono and Natsir \(2021\)](#), which stated that organizational culture had no significant effect on work motivation. This alignment with some studies and divergence from others underscores the complexity of the relationship between organizational culture and motivation. The study's methodology involved a comparison of the number of respondents and the sampling and data analysis methods used in this study and [Lasarudin, Sumarsono and Natsir \(2021\)](#) study. This comparison is based on several aspects: the number of respondents in [Lasarudin, Sumarsono and Natsir \(2021\)](#) study was much smaller, with 35 respondents, compared to 110 respondents in this study. [Lasarudin, Sumarsono and Natsir \(2021\)](#) used non-probability sampling or saturated sampling, while this study used cluster sampling (sample area). [Lasarudin, Sumarsono and Natsir \(2021\)](#) employed multiple linear regression as the data analysis method, whereas this study utilized Structural Equation Modeling (SEM). Differences in the indicators used: the previous study used innovation, attention to detail, and people orientation, while this study focused on only two indicators: results orientation and team orientation. Based on the researchers' findings regarding organizational culture, the following points need to be considered: a. Some employees lack the attitudes and values at work that meet expectations; b. Some employees are unable to complete their work optimally; c. Some employees always work according to their personal mood; d. Some employees lack effective teamwork and communication; e. Some employees lack a sense of team cohesion; f. Some employees bring personal problems to work. These problems impact work motivation, particularly in terms of indicators of superior recognition and responsibility. Some employees feel they don't receive recognition commensurate with their abilities and positions, resulting in a perceived lack of attention. Furthermore, the perceived unfair distribution of work responsibilities is also a contributing factor. As a practical implication, this study's findings suggest that addressing organizational culture can help mitigate the decline in work motivation. For instance, a weak results-oriented approach and a lack of team commitment can lead to employees not meeting work standards and personal issues disrupting collaboration. To address these issues, practical management actions are recommended. These include fostering a culture of professionalism, where every employee understands and is committed to the organization's goals. This can be achieved by establishing clear, measurable, and achievable performance standards and providing training

that focuses on improving both technical and soft skills, such as communication and conflict resolution. By doing so, employees can focus more on achieving optimal work results while minimizing distractions from personal issues, ultimately creating a more harmonious, productive, and goal-oriented work environment.

The Effect of Compensation on Motivation. The calculated t-value was $2.98 > 1.96$, thus rejecting H_0 . This means that compensation significantly influences the motivation of PPPK (Employees in the Land Office) in South Sumatra. The results of this study, which align with Frederick Herzberg's theory in [Wibowo \(2018\)](#) that several factors can influence motivation, including compensation, indicate that an increase in compensation will increase work motivation, and conversely, a decrease in compensation will decrease employee work motivation. This study aligns with research conducted by [Iba \(2024\)](#), which showed that compensation significantly influences motivation. However, it contrasts with research conducted by [Sudira \(2022\)](#), which showed that compensation had no significant effect on work motivation. This contrast sparks further interest and underscores the importance of our study's unique findings. The reason this study differs from [Sudira \(2022\)](#) study is based on several aspects: a. The difference from previous research is that this study's subjects were spread across multiple locations, namely all land offices in South Sumatra. The last study, however, only focused on a single location. By involving more research locations, the results of this study are expected to provide stronger and more relevant generalizations for policies and practices implemented across all Land Offices in South Sumatra; b. The sample size used in [Sudira \(2022\)](#) study was 38 employees, while this study used 110 respondents. A larger sample size can yield more accurate results; c. The indicators used differ: the previous study used salary, benefits, incentives, fairness in the payment system, and the appropriateness of compensation to workload. This study focuses on only two indicators: pay and benefits. Based on the researcher's findings regarding compensation, the following issues need to be examined and improved: a. Some employees receive their salaries in a timely manner; b. Some employees state that their wages are not commensurate with their workload; c. Some employees state that they do not perform their work in accordance with their wages; d. Some employees state that their benefits are not paid on time; e. Some employees state that their benefits are not commensurate with their workload; f. Some employees said that they were still not performing their jobs in accordance with the benefits they received. This problem affected work motivation, particularly in terms of recognition from superiors and the allocation of responsibility. Some employees felt they were not receiving recognition commensurate with their abilities and positions, leading them to feel underappreciated. Furthermore, the perceived unfair distribution of work responsibilities was also a contributing factor. As a practical implication, the researchers recommend addressing low work motivation caused by a mismatch between salary and workload, as well as the perception of unfairness in the distribution of benefits. This requires a systematic and practical review by management. This issue is not simply a financial complaint but also reflects a lack of appreciation and fairness in the workplace. Therefore, necessary solutions must include a comprehensive re-evaluation of the compensation structure, where salaries and benefits are aligned with the actual value of the position and workload. Furthermore, transparency in the criteria for awarding benefits must be increased so that all employees understand the basis for decisions and feel they are being treated fairly. By establishing open communication, management can bridge this perception gap, restore trust, and ultimately create a work environment that is motivating, fair, and supports sustainable employee performance.

The Influence of Competence on Performance. The t-value calculation results were $2.77 > 1.96$, so H_04 was rejected. This means that there is a significant influence of competence on the performance of PPPK Land Offices in South Sumatra. This study demonstrates that an increase in competence leads to improved performance, and conversely, a decrease in competence results in decreased employee performance. This study aligns with [Kasmir \(2019\)](#) theory, which posits that multiple factors influence performance, including competence. This contrasts with research conducted by [Afifah, Kurniasih and Rachman \(2024\)](#), which showed the opposite result, indicating that competence had no significant effect on employee performance. The reason this study differs from [Afifah, Kurniasih and Rachman \(2024\)](#) is based on several aspects: a. The difference from previous research is that this study's subjects were spread across multiple locations, namely all land offices in South Sumatra. The earlier study, however, focused on only one area. By involving more research locations, the results of this study are expected to provide stronger and more relevant generalizations for policies and practices implemented across all Land Offices in South Sumatra; b. The sample size used in [Afifah, Kurniasih and Rachman \(2024\)](#) study was 43 employees, while this study used 110 respondents. Generally, a larger sample size yields more accurate results; c. The indicators used differ: the previous study used knowledge, skills, work attitudes, motives, and personal traits, while this study focuses on only two indicators: skills and self-concept. Based on the researcher's findings regarding compensation, the following points need to be examined and improved: a. Some employees feel they are not completing their work skillfully; b. Some employees feel they are not applying their skills effectively in each task; c. Some employees feel they lack skills and are not contributing appropriately to their skills in completing their work; d. Some employees feel they lack confidence in completing their work; e. Some employees feel they lack influence in completing their work; f. Each employee feels they are not given a role in completing their work. These issues impact employee performance, particularly in terms of work quality indicators. Some employees stated that they have not achieved a high standard of work quality. Regarding the punctuality indicator, some employees said that they are unable to complete tasks on time. Regarding the tools and infrastructure indicator, some employees reported that the mapping application frequently fails to run smoothly, thereby hindering their performance. As a practical implication, researchers recommend that addressing the issue of lack of recognition and unfairness in the distribution of responsibilities is a crucial issue that requires serious management attention, given its negative impact on employee motivation. This phenomenon, often rooted in perceptions of unequal treatment, can erode work morale, reduce initiative, and ultimately hinder the achievement of overall organizational goals. Practical studies show that the inability of superiors to provide commensurate appreciation for employee performance, coupled with a perceived unfair distribution of the workload, not only leads to individual frustration but also creates an unhealthy work environment. Therefore, integrated strategic steps are necessary, starting with the improvement of transparent reward systems, a thorough evaluation of the distribution of responsibilities, and fostering a culture of open communication where every employee feels their voice is heard and their contribution is valued. These efforts are crucial for rebuilding trust, restoring motivation, and encouraging more effective team collaboration. Based on the test results, the direct effect of competence on performance was 0.13, while the indirect effect of the competence variable on performance with motivation as an intervening variable was 0.47. This means that motivation strengthens the influence of competence on performance. In this case, the competence variable needs to be supported by the intervening variable motivation, because the support of the motivation variable strengthens the influence of competence on performance.

The Influence of Organizational Culture on Performance. The t-value calculation results were $2.15 > 1.96$, so H_05 was rejected. This indicates that organizational culture has a significant impact on the performance of PPPK Land Office employees in South Sumatra. The results of this study suggest that an increase in organizational culture is likely to improve performance, and vice versa; a decrease in organizational culture is expected to decrease employee performance. These findings provide valuable insights for organizational leaders, suggesting that fostering a positive organizational culture can lead to improved performance. The results of this study align with [Kasmir \(2019\)](#), which suggests that multiple factors influence performance, including organizational culture. This differs from previous research conducted by [Nasir et al. \(2022\)](#), which found that organizational culture has no significant effect on employee performance.

The Effect of Compensation on Performance. The t-value calculated was $0.30 < 1.96$, thus accepting H_06 . This means that compensation has an insignificant effect on the performance of PPPK (Employees in the Land Office) in South Sumatra. This study's findings, while not aligning with some previous research, are significant as they contribute to the understanding of the complex relationship between compensation and performance. The insignificant effect of compensation on employee performance means that while compensation indicators, such as salary and allowances, are essential for meeting basic needs, their presence does not directly guarantee improved employee performance. Despite the substantial compensation provided, such as salary and allowances, PPPK performance at the Land Office in South Sumatra was not affected because employees perceived the compensation as a right they deserved. This aligns with research conducted by [Iba \(2024\)](#), which found that compensation had an insignificant effect on employee performance. This contrasts with research conducted by [Izhar et al. \(2024\)](#), which found that compensation has a significant impact on performance.

The Influence of Motivation on Performance. The t-value calculation results were $4.93 > 1.96$, so H_07 was rejected. This means that there is a significant influence of motivation on the performance of PPPK Land Offices in South Sumatra. The results of this study, which align with established theories, suggest that an increase in motivation leads to improved employee performance, and conversely, a decrease in motivation results in decreased employee performance. This alignment with [Kasmir \(2019\)](#), including work motivation, and research conducted by [Ratnasari and Sutjahjo \(2021\)](#), which states that work motivation has a positive and significant effect on performance, reinforces the credibility of our findings. However, this study is not in line with research conducted by [Ridhasyabina, Nugraha and Nurdiana \(2025\)](#), which states that work motivation has a positive but insignificant effect on performance.

5. Conclusion

It can be concluded that

1. The role of competence in motivating PPPK (Community Employee Relations Officers) at the Land Office in South Sumatra cannot be overstated, as it has a significant effect on their performance;
2. The leadership's role in shaping the organizational culture, which in turn significantly affects the motivation of PPPK (Community Employee Relations Officers) at the Land Office in South Sumatra, is crucial;
3. Compensation has a significant effect on the motivation of PPPK (Community Employee Relations Officers) at the Land Office in South Sumatra;

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4. Competence has a significant effect on the performance of PPPK (Community Employee Relations Officers) at the Land Office in South Sumatra.
5. Organizational culture has a significant effect on the performance of PPPK (Community Employee Relations Officers) at the Land Office in South Sumatra;
6. Despite its significant effect on motivation, compensation does not have a significant effect on the performance of PPPK (Community Employee Relations Officers) at the Land Office in South Sumatra. This could be due to other factors such as job satisfaction, work environment, or individual work ethic that also influence performance;

The potential for growth in improving the performance of PPPK (Community Employee Relations Officers) at the Land Office in South Sumatra through motivation is significant. To improve the impact of competence on the motivation of PPPK (Community Employee Relations Officers) at the Land Office in South Sumatra,

1. It is necessary to provide measurable and tiered training in the form of skills development for employees so that they can improve their skills in completing their work, increase their self-confidence, and enhance their influence and role in their work.
2. To improve the organizational culture that motivates PPPK (Community Employee Relations Officers) at the South Sumatra Land Office, it is recommended to provide more intensive supervision for employees who lack a sense of teamwork and those who frequently bring personal issues into the workplace.
3. Therefore, a culture of teamwork should be further developed to motivate employees even more. To improve compensation for PPPK motivation at the South Sumatra Land Office, it is recommended to align the amount of compensation with the workload and responsibilities carried out, and ensure that compensation is timely and transparent, so that employees feel valued and motivated.
4. To improve the competency and performance of PPPK at the South Sumatra Land Office, it is recommended to conduct regular training and skills development according to their field of work, provide opportunities for greater involvement in each activity, encourage independent learning through access to literature and technology, and conduct regular competency evaluations to ensure employee abilities remain relevant to policy developments and agency needs.
5. To improve the organizational culture that supports the performance of PPPK (Community Empowerment Officers) at the South Sumatra Land Office, it is recommended to strengthen coaching for employees who lack teamwork and provide appropriate guidance for employees who tend to mix personal matters with work. This effort can be achieved through mental work development activities, teamwork training, and ongoing motivation, thereby creating a harmonious, mutually supportive work environment focused on achieving goals and improving performance.
6. To improve compensation for PPPK performance at the South Sumatra Land Office, it is recommended to pay attention to the payment and provision of compensation, including salaries and allowances, by considering the workload commensurate with the compensation received by employees, and ensuring timely payment of compensation to employees. This is expected to improve employee performance.

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