

IMPACT OF LEADERSHIP, COMPETENCE, AND MOTIVATION ON ORGANIZATIONAL COMMITMENT AND EMPLOYEE PERFORMANCE IN SOUTH SULAWESI PROVINCIAL GOVERNMENT

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Abstract

This study looks into how motivation, competence, and leadership affect employee performance and organisational commitment in the South Sulawesi Provincial Government. The study uses a quantitative methodology and an explanatory survey design. It covers 134,023 government servants as a population, and 399 respondents were selected using the Slovin formula. Using Smart-PLS (v.3.2.9) and the Partial Least Square (PLS) methodology, data analysis was done. The results show that employee commitment and performance are directly impacted by both motivation and leadership. Employee dedication also has a big influence on performance. Through greater commitment, indirect effects show how motivation and leadership improve performance. On the other hand, competency has no discernible direct or indirect impact on performance or commitment. These findings underline the importance of motivation and leadership in encouraging worker dedication and output while also emphasising the need for more research on the subject of competence.

Keywords: Leadership, Competence, Motivation, Commitment, Employee Performance.

1. INTRODUCTION

As we transition from Industry 4.0 to Industry 5.0, the Indonesian government, particularly the provincial ones, needs to function better in the climate of shifting organizational dynamics (Silalahi, 2021). According to Nakalonga Mubemba and Chansa Thelma (2023), this criterion aligns with the overall vision, mission, and strategic goals that optimize governance procedures. Improving efficiency is crucial, with an emphasis on achieving outcomes based on critical variables: input (quantity), process (quality), and output (time and cost) (Trisliatanto et al., 2021). Despite these efforts, the performance levels of the South Sulawesi Provincial Government's personnel have not nearly met the expected standards. This shortcoming is evident in a number of performance measurement categories, including efficacy, efficiency, and overall productivity (Fallah, 2020). One important component influencing these performance measures is employee devotion. Commitment includes all of the following: emotional attachment, adherence to organizational norms, and a persistent effort to further the goals of the organization (Rustiawan et al., 2023). To address these concerns, it is essential to consider the roles of competence, motivation, and leadership (Kurniawan, 2021). Employee commitment and performance are significantly impacted by leadership, which also has an impact on staff morale and company culture (Ariyani et al., 2023). Integrity, temperament, habits, and personality are all crucial facets of leadership that motivate and direct followers toward achieving group goals (Kalogeratos et al., 2023). Competence, which is defined by knowledge, educational background, talents, intelligence, experience, reliability, and work mastery, also has a major impact on employee performance (Husainah, 2023). Competence ensures that employees have the resources needed to perform their jobs effectively and forward the objectives of the business (Jose et al., 2023). It takes both

inner and extrinsic motivation to create a work environment where employees are motivated to do their best work. Success, authority, affiliation, and compensation are a few of the motivating factors that encourage employees to put their all into their profession and produce their best work. According to Put Iswandyah Raysharie et al. (2023), raising the bar on motivating needs is necessary to raise commitment and performance. Given these variables, the goal of this study is to determine the direct and indirect effects of motivation, competence, and leadership on employee commitment and performance within the South Sulawesi Provincial Government (Barroga & Matanguihan, 2022). Understanding these relationships will help the research provide insights into strategies that can raise employee productivity, which will enhance the overall effectiveness of the province government (Ma'arif et al., 2024).

This inquiry is pertinent and appropriate, especially in view of the five-year trend of declining employee performance that has been noted. Key performance indicators show a declining trend in the analysis of performance data from 2019 to 2023, highlighting the necessity for a thorough investigation of the variables affecting employee performance. The results of this study are anticipated to serve the wider objectives of the South Sulawesi Provincial Government by aiding in the creation of more efficient management practices and policies targeted at improving the dedication and performance of public servants. The decline in performance can be observed from the input, process, and output aspects of government programs and activities, as shown in the following data:

Table 1: Performance Realization of South Sulawesi Provincial Government Employees (2019-2023)

Year	Input (%)	Process (%)	Output (%)
2019	87.22	84.66	74.33
2020	85.69	83.18	73.87
2021	83.24	82.38	72.61
2022	81.18	80.49	71.33
2023	80.25	79.85	70.89

Source: South Sulawesi Provincial Government, 2024.

The Decline in Performance

The decline in performance of the South Sulawesi Provincial Government employees can be observed from the input, process, and output aspects of government programs and activities:

- **Input:** Refers to the resources allocated for programs, including time, budget, and manpower. There has been a consistent decrease in the percentage of input from 87.22% in 2019 to 80.25% in 2023, indicating a reduction in the resources available for government activities.
- **Process:** Involves the methods and procedures used to implement the programs, emphasizing efficiency and effectiveness. The process performance has declined from 84.66% in 2019 to 79.85% in 2023, suggesting inefficiencies and challenges in program implementation.
- **Output:** Represents the final results or products of the programs, reflecting the achievement of targeted goals. The output performance has also seen a decrease from 74.33% in 2019 to 70.89% in 2023, showing a decline in the overall effectiveness and impact of the government programs.

This trend highlights the need for a comprehensive approach to address the underlying issues affecting the performance of the South Sulawesi Provincial Government employees. By focusing on enhancing leadership, competence, and motivation, it is possible to improve commitment and performance, thereby achieving better outcomes for government programs and activities.

Employee performance assessment, crucial for actualization, follows Anwar's (2019) work outcome theory, which states that evaluating work performance involves assessing input, process, and output. This theory aligns with Government Regulation No. 46 of 2011 on Civil Servant Performance Assessment, reflecting ASN performance standards. The decline in performance is attributed to low employee commitment, as evidenced by emotional attachment, identification, and involvement to advance the organization (affective commitment), adherence to organizational rules (normative commitment), and the continuous commitment to consider the costs and benefits of work (continue commitment) (Anwar et al., 2020).

Allen and Meyer's (2020) organizational commitment theory suggests that achieving commitment requires affective, normative, and continuous commitment, each contributing to employee performance (Emita et al., 2021). This theory, along with the declining performance and commitment influenced by leadership, competence, and motivation, forms the basis for this research (Lestaluhu & Muvano, 2023).

Leadership characteristics such as temperament, habits, personality, and character are essential for influencing, directing, and motivating subordinates. Similarly, competence involving knowledge, education, skills, intelligence, experience, reliability, and work mastery significantly impacts employee commitment and performance (Olila, 2020). Low employee motivation, both internal and external, leads to low commitment and performance. Addressing motivation issues requires considering McClelland's achievement motivation theory, which emphasizes the importance of achievement, power, affiliation, and compensation in motivating employees (Siok et al., 2023).

2. METHODS

This research adopts a quantitative approach using an explanatory survey design. Explanatory research aims to elucidate the relationships and influences between variables (Pandey et al., 2023). Data were analyzed using the Partial Least Square (PLS) method with Smart-PLS (v.3.2.9) software, which allows for the simultaneous evaluation of measurement models (outer models) and structural models (inner models). The population for this study consists of 134,023 civil servants working for the South Sulawesi Provincial Government. Using the Slovin formula, a sample of 399 respondents was determined, ensuring a representative subset of the population.

a. Data Collection

Data were collected through structured questionnaires distributed to the selected sample. The questionnaire was designed to measure variables of leadership, competence, motivation, commitment, and performance using a Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree).

b. Variables and Indicators

The operational definitions and indicators for the variables are as follows:

Table 2: Operational Research Variables

Variable	Indicator
Leadership (X1)	Characteristics, Temperament, Habits, Personality, Character
Competence (X2)	Knowledge, Educational Background, Skills, Intelligence, Experience, Reliability, Work Mastery
Motivation (X3)	Achievement, Power, Affiliation, Compensation
Commitment (Y)	Affective, Normative, Continuous
Performance (Z)	Input, Process, Output

c. Data Analysis

The PLS-SEM analysis involved two sub-models:

- a. **Measurement Model (Outer Model):** Assessed using convergent validity, discriminant validity, and reliability tests. Convergent validity was determined by examining the loading factors, with a threshold value of 0.7. Discriminant validity was assessed through cross-loadings, ensuring that indicators have higher loadings on their respective constructs than on others. Reliability was evaluated using Cronbach's alpha and composite reliability, with acceptable thresholds of 0.6 and 0.7, respectively.
- b. **Structural Model (Inner Model):** Evaluated using R-Square values to determine the proportion of variance explained by the independent variables. The significance of path coefficients was tested using bootstrapping, with a P-Value threshold of 0.05 to assess the direct and indirect effects of the variables.

The evaluation criteria for the structural model were as follows:

- a. **R-Square Values:** Indicating the strength of the model in explaining the dependent variables, with thresholds of 0.75 (substantial), 0.50 (moderate), and 0.25 (weak).
- b. **Path Coefficients:** Positive values indicate a direct relationship, while negative values indicate an inverse relationship. A P-Value < 0.05 signifies a significant relationship.

This methodological framework provides a comprehensive approach to understanding the complex relationships between leadership, competence, motivation, commitment, and performance in the context of the South Sulawesi Provincial Government.

3. RESULTS AND DISCUSSION

Outer Model Testing

Convergent Validity

Convergent validity measures the degree to which two measures of constructs that theoretically should be related are in fact related. In this study, convergent validity was assessed by examining the loading factors of each variable. A loading factor greater than 0.7 indicates good convergent validity. The results are shown in Table 3.

Table 3: Outer Loading

Variable	Indicator	Loading Factor
Leadership (X1)	X1.1	0.806
	X1.2	0.729
	X1.3	0.897
	X1.4	0.926
	X1.5	0.763
Competence (X2)	X2.1	0.861
	X2.2	0.865
	X2.3	0.857
	X2.4	0.911
	X2.5	0.807
	X2.6	0.759
Motivation (X3)	X3.1	0.916
	X3.2	0.843
	X3.3	0.910
Commitment (Y)	Y1	0.889
	Y2	0.908
	Y3	0.904
Performance (Z)	Z1	0.858
	Z2	0.907
	Z3	0.955
	Z4	0.884

All the indicators have loading factors above 0.7, indicating that the model has good convergent validity.

Average Variance Extracted (AVE)

The AVE values were calculated to further assess convergent validity. An AVE value greater than 0.5 indicates that the construct explains more than half of the variance of its indicators.

Table 4: Validity and Reliability Testing

Variable	AVE
Leadership (X1)	0.549
Competence (X2)	0.592
Motivation (X3)	0.825
Commitment (Y)	0.839
Performance (Z)	0.864

The AVE values for all constructs are above 0.5, confirming that the constructs have good convergent validity.

Discriminant Validity

Discriminant validity tests whether concepts or measurements that are supposed to be unrelated are actually unrelated. This was evaluated by examining the cross-loadings of the indicators.

Table 5: Cross Loading Results

Indicator	Leadership (X1)	Competence (X2)	Motivation (X3)	Commitment (Y)	Performance (Z)
X1.1	0.806	0.655	0.612	0.644	0.610
X1.2	0.729	0.619	0.609	0.674	0.664
X1.3	0.897	0.851	0.881	0.913	0.873
X1.4	0.926	0.831	0.870	0.889	0.907
X1.5	0.763	0.779	0.693	0.706	0.695
X2.1	0.764	0.861	0.811	0.797	0.725
X2.2	0.764	0.865	0.827	0.806	0.756
X2.3	0.772	0.857	0.758	0.791	0.736
X2.4	0.881	0.911	0.873	0.892	0.852
X2.5	0.769	0.807	0.714	0.735	0.722
X2.6	0.646	0.759	0.633	0.653	0.647
X3.1	0.845	0.904	0.931	0.911	0.868
X3.2	0.787	0.846	0.889	0.864	0.858
X3.3	0.851	0.823	0.908	0.897	0.837
X3.4	0.783	0.775	0.904	0.805	0.772
Y1	0.894	0.923	0.947	0.962	0.915
Y2	0.841	0.855	0.848	0.916	0.887
Y3	0.880	0.838	0.878	0.910	0.865
Z1	0.926	0.831	0.870	0.889	0.907
Z2	0.825	0.855	0.861	0.894	0.955
Z3	0.772	0.805	0.794	0.843	0.884

From Table 5, the loading of each indicator on its respective construct is greater than the cross-loadings on other constructs, indicating good discriminant validity.

Reliability Testing

Reliability was assessed using Cronbach's alpha and composite reliability. A Cronbach's alpha value above 0.6 and a composite reliability value above 0.7 are considered acceptable.

Table 6: Reliability Testing

Variable	Cronbach's Alpha	Composite Reliability
Leadership (X1)	0.794	0.858
Competence (X2)	0.885	0.910
Motivation (X3)	0.929	0.950
Commitment (Y)	0.904	0.940
Performance (Z)	0.921	0.950

All variables have Cronbach's alpha values above 0.6 and composite reliability values above 0.7, indicating good reliability.

Inner Model Testing

R-Square Analysis

R-Square measures the proportion of variance in the dependent variables that is predictable from the independent variables. The criteria are:

- R-Square > 0.75: Substantial
- R-Square > 0.50: Moderate

- R-Square > 0.25: Weak

Table 7: R-Square Testing Results

Variable	R-Square	Adjusted R-Square
Commitment (Y)	0.962	0.960
Performance (Z)	0.881	0.876

The R-Square values for Commitment (Y) and Performance (Z) are 0.962 and 0.881, respectively, indicating substantial predictive power.

Direct and Indirect Effects

The direct and indirect effects were assessed using path coefficients and P-values. A P-value less than 0.05 indicates a significant effect.

Table 8: Direct Effect

Path	Coefficient	P-Value
X1 -> Y	0.257	0.024
X1 -> Z	0.332	0.043
X2 -> Y	0.117	0.057
X2 -> Z	0.083	0.328
X3 -> Y	0.641	0.000
X3 -> Z	0.565	0.003
Y -> Z	0	0.000

Table 9: Indirect Effect

Path	Coefficient	P-Value
X	0.136	0.019
X2	0.050	0.188
X3	0.130	0.

Discussion

Based on the results, leadership positively and significantly affects employee commitment (P-Value = 0.024) and performance (P-Value = 0.043). This indicates that effective leadership contributes to higher commitment and better performance among employees. This finding supports the view that leadership is crucial in shaping organizational culture and employee behavior.

Competence does not have a significant direct effect on commitment (P-Value = 0.057) or performance (P-Value = 0.328). This suggests that while competence is important, other factors may play a more significant role in influencing employee commitment and performance.

Motivation significantly influences both commitment (P-Value = 0.000) and performance (P-Value = 0.003). High levels of motivation lead to higher commitment and better performance, highlighting the importance of addressing motivational factors in the workplace.

Indirect effects show that leadership and motivation also enhance performance through increased commitment. Specifically, leadership (P-Value = 0.019) and motivation (P-Value = 0.015) have significant indirect effects on performance through commitment. This underscores the mediating role of commitment in translating leadership and motivation into better performance outcomes.

4. CONCLUSIONS

This study investigated the impact of leadership, competence, and motivation on organizational commitment and employee performance (Hermansyah et al., 204) within the South Sulawesi Provincial Government. The findings provide several key insights:

a. Leadership:

- Leadership significantly influences both employee commitment and performance. Effective leadership, characterized by positive temperament, habits, personality, and character, enhances employees' emotional attachment, adherence to organizational norms, and overall performance.
- Leadership also indirectly influences performance through commitment, highlighting the importance of fostering strong leadership to drive both commitment and performance outcomes.

b. Competence:

- Contrary to expectations, competence does not have a significant direct effect on either commitment or performance. While competence in terms of knowledge, skills, and experience is crucial, it may not be the sole factor determining commitment and performance.
- The lack of a significant relationship suggests that other factors, such as the work environment or organizational culture, might play more critical roles in influencing these outcomes.

c. Motivation:

- Motivation has a strong and significant impact on both commitment and performance. High levels of motivation, driven by factors such as achievement, power, affiliation, and compensation, lead to higher commitment and better performance among employees.
- Motivation also indirectly influences performance through commitment, emphasizing the need for management to continuously address and enhance motivational factors within the workplace.

d. Commitment:

- Commitment significantly impacts employee performance. Employees who are emotionally attached to the organization, adhere to its norms, and continuously strive to improve, tend to perform better.
- The mediating role of commitment in the relationship between leadership, motivation, and performance underscores its critical importance in achieving organizational goals.

Implications for Practice

The results of this study suggest several practical implications (Simsek et al., 2022) for the South Sulawesi Provincial Government:

- a. **Enhancing Leadership:** Developing leadership programs that focus on improving leaders' interpersonal skills, emotional intelligence, and integrity can foster a more committed and high-performing workforce.
- b. **Boosting Motivation:** Implementing comprehensive motivation strategies that address intrinsic and extrinsic factors can significantly enhance employee commitment and performance.
- c. **Reevaluating Competence Development:** While competence is essential, it should be integrated with other supportive factors such as a positive work environment and a strong organizational culture to fully realize its potential impact on performance.

Recommendations for Future Research

Further investigation is needed to examine the interaction between competence and other organizational characteristics in order to have a deeper understanding of how they collectively impact commitment and performance. In addition, longitudinal research could offer more profound understanding of how alterations in leadership, competency, and motivation over a period of time affect employee outcomes.

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