The Effect of Competence and Leadership Style on the Performance of Village Officials in Rambang District, Muara Enim Regency with Motivation as a Mediating Variable

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ABSTRACT: This study aims to analyze and apply the influence of competence and leadership style on the performance of village officials in Rambang District, Muara Enim Regency with motivation as a mediating variable. The population in this study were all village apparatus organizations in Rambang District Muara Enim Regency as many as 13 villages, each of which had 13 village apparatus, so that the sample obtained was 104 village apparatus. The analysis technique used is regression using the partial least square path modeling (PLS-SEM) method. The results showed that competence affects the performance of village officials, while leadership style has no effect on the performance of village officials. Competence and leadership style affect the motivation of village officials. Motivation is not able to mediate between the influence of competence on the performance of village officials, but motivation is able to mediate between the influence of leadership style on the performance of village officials.

KEYWORDS: Competence, Leadership Style, Motivation, Performance

INTRODUCTION

Good performance is defined as an achievement that meets or exceeds the set standards, both in terms of productivity, quality, and efficiency. Some factors that indicate employees with good performance such as good ethics, high motivation, optimizing work, always carrying out the evaluation given, productive aspects, thinking and acting positively, managing time well. Some factors that affect performance such as opportunities for advancement, job security, good salary, intrinsic and work factors, working conditions, social aspects of work, facilities (Suryanto, 2020).

According to Ardiansyah & Sulistiyowati, (2018) explains that an employee who has competence in a job will have an impact on his performance. The higher the competence possessed by an employee, the better his performance will be. According to Rosmaini & Tanjung, (2019) an employee has high competence if the employee has work experience, an educational background that supports the profession, has expertise / knowledge and has skills. Based on the results of previous research Maizar, Persada, & Nabella, (2023) explained that competence has a positive and significant effect on employee performance. Suwarno, Idayati, Mulyono, & Sundari, (2022) showed that competence has an significant effect on employee performance.

Another factor that affects performance is leadership. The leadership factor of the Village Head plays an important role in the performance of village officials, the behavior of a leader is an influence that will cause its own understanding which will affect the psychological conditions of subordinates (Batubara, 2020). Subordinates will see, observe, and imitate the behavior of leaders displayed by superiors who are perceived as something that subordinates expect, it will have a better impact on employee performance. therefore the village head has an important factor in being able to guide, foster, and direct his employees, so that employees will have good enough skills in completing their duties (Sinurat, Nugroho, & Kencana, 2022). According to Sulantara, Mareni, Sapta, & Suryani, (2020) explains that leadership style has a positive and significant influence on employee performance. However, this is not in line with the results of research by Zunaidah, Susetyo, & Ichsan, (2019) which states that leadership style has no significant effect on employee performance.

This study makes motivation a mediating variable between the influence of competence and leadership style on employee performance. This is based on the opinion of Purnamasari, (2021) which explains that motivation as a mediating variable affects employee performance. Motivation will enable employees to take steps to facilitate the performance of a job in order to achieve work goals.
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This research was conducted in Rambang Sub-district, Muara Enim Regency. Based on the observations of researchers, there are still several problems that exist, including the work program plan to focus on the development of village government employees, only 1 program out of 13 planned programs. From the planned work program, it shows that the village government is more focused on infrastructure and village development compared to the development of village government employees who run work programs, causing unstable work programs planned. This shows that the lack of concern for competency development in village government employees and can be strengthened in the evaluation results of the Sugih Waras Village Government Work Plan which shows that there is still a lack of human resource capabilities.

In connection with the competence of village officials is still inadequate, this is seen from the educational background that is owned showing that most of the devices are only high school graduates or the equivalent and only a few people from employees have educational backgrounds up to bachelor's degrees. This has an impact on employee performance seen from the educational background related to the mindset of employees in carrying out their duties and positions.

Based on the description above, this study focuses on the problem to be discussed, namely whether competence and leadership style affect the performance of village officials in Rambang District, Muara Enim Regency with motivation variables as mediating variables.

LITERATURE REVIEW

Goal Setting Theory

Goal setting theory developed by Edwin Locke since 1968 is a form of motivation theory based on individuals who are committed to goals, and motivated to achieve these goals. Goal setting theory is a very dominant and widely explained theory in the study of organizational behavior that has a relationship between goals set and job performance. This theory measures a person's job satisfaction by calculating the difference between something that should be and the perceived reality (Ngorantutul, Hendriani, & Maulida, 2019).

Competence

Competence is a characteristic of the knowledge and skills possessed or required by each individual that enables them to perform tasks and responsibilities effectively and improve professional quality standards in their work. (Triwanto et al., 2022). Competence as a person's ability to produce at a satisfactory level in the workplace, also shows the characteristics of knowledge and skills possessed or needed by each individual that enable them to perform their duties and responsibilities effectively and improve professional quality standards in work (Lutfiyah, Hening, & Suhermin, 2020).

Leadership Style

Leadership style is a certain pattern of behavior used by a leader or a person to influence the behavior of others in achieving a vision, mission, or goal in the organization. In another perspective, it states that leadership style shows directly or indirectly about a leader's belief in the abilities of his subordinates (Egie, Sumardi, & Nurhayati, 2019).

Motivation

Motivation is the impetus for a series of human behavior processes to achieve goals. Meanwhile, the elements contained in motivation include elements of arousing, directing, maintaining, showing intensity, being continuous and having goals (Tuliabu, Areros, & Tatimu, 2022). Musyawwir, Ansyari, & Parawu, (2021) define motivation as a process that explains the intensity, direction, and persistence of individual efforts to achieve goals. Motivation requires the right leadership, work environment, work culture, pay negotiations, compensation management, incentives and recognition, leadership, and employee-management relations.

Performance

The end of the performance process is a performance appraisal that is linked to the process of achieving goals. Performance appraisal is the process of evaluating employee work that compares with applicable standards and communicates the results of the evaluation with the employee concerned. Performance appraisal is a parameter used to measure standards set by human resource management and is one of the factors that can affect the emergence of employee motivation (Widyaningrum, 2020). Performance appraisal is a systematic description of the strengths or advantages and weaknesses related to the work of a person or group. Performance appraisal standards are the responsibility of the company to set standards that can help improve employee performance (Piri, Dotulong, & Pandowo, 2022).
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Hypothesis

Utari & Rasto, (2019) define that competence is a fundamental characteristic of a person that results in superior and effective performance in a job. Therefore, good competence will improve even better performance so as to achieve maximum results. Airyq, Hubeis, & Sukawati, (2023) explained that competence has a positive effect on employee performance, the ability/competency factor can affect performance because with high ability, employee performance will be achieved. Sulantara et al., (2020) explained that competence has a positive and significant effect on performance. Based on this, the hypotheses in this study are:

H1: Competence has a significant effect on employee performance

The formation of patterns and performance of village officials is influenced by the leadership of the village head in carrying out its functions. An effective village head will carry out the function of direction and development in a real way, not only explained by how the leader can use the power he has but also shown by the leader’s attention to the welfare of his village apparatus and the nurturing attitude shown to strengthen the willingness of village apparatus in carrying out work to achieve optimal performance.

To influence the desired attitudes and behavior of employees, leaders must improve the desired performance of employees, so as to encourage employees to want to work well (Batubara, 2020). Sulantara et al., (2020) explained that leadership style has a positive and significant effect on employee performance. Based on this, the hypotheses in this study are:

H2 : Leadership style has a significant effect on employee performance

An employee who has less ability than required will be likely to fail. If it is the other way around, that is, having higher abilities than required, it will be inefficient in the organization and can even result in less job satisfaction or can also cause stress/frustration, and so on. The need for skilled workers in various fields is a global demand that cannot be delayed and is required to have the ability to make quality human resource development plans, by always making improvements. Human resources who have competence will be able to solve problems that exist in the organization and of course this raises a sense of pride for employees which ultimately motivates them to work even better. This is in line with research conducted by Triyanto Arif, (2014) which found that competence has a significant effect on employee performance.

H3: Competence has a significant effect on motivation

Leadership style has a relationship between goal setting theory because the leadership process occurs through setting organizational goals, in its application there are a series of activities that play a role to influence so as to improve the group or culture in the organization. Leadership is closely related to motivation. This is due to the success of the leader in directing subordinates to achieve targeted goals. Success in leading depends on authority, and also through the leader’s ability to create a motivation in each subordinate, colleague, and even the leader himself. Research conducted by Hidayat et al., (2024) that the better the leadership style, the higher the work motivation.

H4 : Leadership style has a significant effect on motivation

The performance of village officials is specific and different when compared to the performance of company employees. The goal of the village government organization is to be able to develop and carry out activities that can solve problems in the village and the prosperity of the village community. In line with Goals setting theory which emphasizes the importance of the relationship between the goals set and the performance that will be produced. Therefore, every employee in the village government organization must have a high commitment to their performance in the organization so that the goals of the organization can be achieved. Goal setting theory is a motivational theory that can influence organizational behavior by setting goals. Village employees will be more motivated if there is a commitment to achieve their goals at work (Ngorantutul et al., 2019).

H5 : Motivation affects employee performance

The application of Goal setting theory has a relationship with competence mediated by motivation. This happens because employees who are committed to their work will be motivated to develop competencies to achieve organizational goals. Competence is a fundamental characteristic of a person that results in superior and effective performance in a job. Competence and motivation have a very close relationship to employee performance. Effective employee processing through improving employee skills and expertise or increasing competence and providing motivation also provides opportunities for employees to be able to improve work performance or performance because competency development and good motivation can improve employee performance. As research conducted by Parashakti, Fahlevi, Ekhsan, & Hadinata, (2019) explains that competence has a positive and significant effect on work motivation. The higher the competence will increase work motivation. Based on this, the hypothesis in this study is:

H6 : Motivation is able to mediate the effect of competence on employee performance

Goal setting theory has a relationship with leadership style mediated by motivation because setting organizational goals will help the leader to lead his employees so that they can be motivated to carry out their duties well. Leadership is the key to good...
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performance because it coordinates the utilization of human resources and other resources in the organization (Padmasari, Makkiyah, & Isa, 2023). Leaders need to understand how their leadership style can affect employee motivation, effectiveness, and productivity. Altheeb, (2020) defines employee motivation as measuring the commitment, creativity, and energy that individuals bring to a given task. Therefore, employee motivation can have an influence to improve organizational performance. Fonseca, Armanu, & Rofiaty, (2020) explain that leadership style affects employee motivation. Leadership style directly affects employee work motivation. Based on this, the hypotheses in this study are:

H7 : Motivation is able to mediate the influence of leadership style on employee performance

RESEARCH METHODOLOGY

The population of this study was the Village Apparatus Organization in 13 villages in Rambang Subdistrict. The population amounted to 104 people. This study uses a saturated sample or census, where all members of the population are sampled (Muhammadiah & Litriani, 2018). The sample in this study amounted to 104 respondents. The analysis technique in this study uses regression analysis with partial least square path modeling (PLS-SEM) technique by testing the outer model and inner model.

RESULT AND DISCUSSION

In the Outer model analysis, the research instrument indicator test is carried out which is called the validity test for each indicator in all research variables by looking at the outer loading value.

Based on data processing using SEM PLS, the validity test results for each indicator on all research variables are as follows:

Table 1. Outer Loadings

<table>
<thead>
<tr>
<th>No</th>
<th>Competence</th>
<th>Leadership Style</th>
<th>Motivation</th>
<th>Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0.831</td>
<td>0.910</td>
<td>0.935</td>
<td>0.867</td>
</tr>
<tr>
<td>2</td>
<td>0.953</td>
<td>0.974</td>
<td>0.957</td>
<td>0.875</td>
</tr>
<tr>
<td>3</td>
<td>0.909</td>
<td>0.984</td>
<td>0.941</td>
<td>0.926</td>
</tr>
<tr>
<td>4</td>
<td>-</td>
<td>0.981</td>
<td>-</td>
<td>0.921</td>
</tr>
<tr>
<td>5</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.913</td>
</tr>
</tbody>
</table>

Based on table 1, it is known that the outer loading value for each indicator on all variables in this study is all above 0.7 so it can be explained that all indicators in this study are declared valid. Then proceed with reliability testing as the results can be seen in table 2.

Table 2. Construct Reliability Test Results

<table>
<thead>
<tr>
<th>No</th>
<th>Variables</th>
<th>Cronbach’s Alpha</th>
<th>rho_A</th>
<th>Composite Reliability</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Performance (Y)</td>
<td>0.943</td>
<td>0.962</td>
<td>0.955</td>
</tr>
<tr>
<td>2</td>
<td>Competence (X1)</td>
<td>0.886</td>
<td>0.955</td>
<td>0.927</td>
</tr>
<tr>
<td>3</td>
<td>Leadership Style (X2)</td>
<td>0.974</td>
<td>0.991</td>
<td>0.981</td>
</tr>
<tr>
<td>4</td>
<td>Motivation (Z)</td>
<td>0.940</td>
<td>0.945</td>
<td>0.961</td>
</tr>
</tbody>
</table>

Based on table 2, it is known that the Cronbach's alpha value of the performance variable is 0.943, competence is 0.886, leadership style is 0.974 and motivation is 0.940, all of which are greater than 0.7, which means that all indicators on this research variable are declared reliable.

to see the magnitude of the influence of each variable can be seen in the following F square table.

Table 3. F Square

<table>
<thead>
<tr>
<th>No</th>
<th>Variables</th>
<th>Audit Quality (Y)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Competence → Performance</td>
<td>0.106</td>
</tr>
<tr>
<td>2</td>
<td>Competence → Motivation</td>
<td>0.045</td>
</tr>
<tr>
<td>3</td>
<td>Leadership Style → Performance</td>
<td>0.020</td>
</tr>
<tr>
<td>4</td>
<td>Leadership Style → Motivation</td>
<td>0.131</td>
</tr>
<tr>
<td>5</td>
<td>Motivation → Performance</td>
<td>0.122</td>
</tr>
</tbody>
</table>
Table 3 shows that the competency variable affects performance by 0.106 in the low category, as well as competence affects the motivation variable by 0.045 in the low category. Leadership style affects performance by 0.020 in the low category, as well as leadership style affects motivation by 0.131 in the low category. Motivation affects performance by 0.122 in the low category. To find out how much the exogenous variables affect the endogenous variables, it can be seen in the results of the R square calculation as shown in table 4.

### Table 4. R Square

<table>
<thead>
<tr>
<th>Variables</th>
<th>R Square</th>
<th>R Square Adjusted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance</td>
<td>0.322</td>
<td>0.301</td>
</tr>
<tr>
<td>Motivation</td>
<td>0.202</td>
<td>0.186</td>
</tr>
</tbody>
</table>

Based on table 4, it is known that the R square value of the performance variable is 0.322, which means that the competency, leadership style and motivation variables affect the performance variable by 0.322 in the weak category. The R square value of motivation is 0.202, which means that the competency and leadership style variables affect the motivation variable by 0.202 in the weak category.

Hypothesis testing in this study uses bootstrapping path coefficient as can be seen in table 5 below.

### Table 5. Bootstrapping Path Coefficient

<table>
<thead>
<tr>
<th>Variables</th>
<th>T Statistic</th>
<th>P Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Competence → Performance</td>
<td>2.779</td>
<td>0.003</td>
</tr>
<tr>
<td>Leadership Style → Performance</td>
<td>1.314</td>
<td>0.095</td>
</tr>
<tr>
<td>Competence → Motivation</td>
<td>1.959</td>
<td>0.025</td>
</tr>
<tr>
<td>Leadership Style → Motivation</td>
<td>3.323</td>
<td>0.000</td>
</tr>
<tr>
<td>Motivation → Performance</td>
<td>3.273</td>
<td>0.001</td>
</tr>
<tr>
<td>Competence → Motivation → Performance</td>
<td>1.517</td>
<td>0.065</td>
</tr>
<tr>
<td>Leadership Style → Motivation → Performance</td>
<td>2.243</td>
<td>0.013</td>
</tr>
</tbody>
</table>

The T statistic value of the competency variable on performance is 2.779 > 1.96 and the P value of 0.003 < 0.05, which means that the hypothesis is accepted so that it can be explained that competence has a significant effect on performance. In goal setting theory there is a relevance between competence and performance. This happens because if the competence possessed by employees is high, it will be an added value for the organization in producing maximum output, making it easier for the organization to achieve its goals (Adnyani & Dewi, 2022). Competence is a fundamental characteristic of a person that results in superior and effective performance in a job. Therefore, good competence will improve even better performance so as to achieve maximum results (Utari & Rasto, 2019). (Maizar et al., 2023) in his research explained that competence has a positive and significant effect on performance. In line with Sulantara et al., (2020) explains that competence has a positive and significant effect on performance.

The T statistic value of the leadership style variable on performance is 1.314 < 1.96 and the P Value value is 0.095 > 0.05, which means that the hypothesis is rejected so that it can be explained that leadership style has no significant effect on performance. Leadership style is one of the factors that affect employee performance. The formation of patterns and performance of village officials is influenced by the leadership of the leader in carrying out his functions. An effective village head will carry out the function of direction and development in a real way, not only explained by how the leader can use the power he has but also shown by the leader's attention to the welfare of his village apparatus and the nurturing attitude shown to strengthen the willingness of village officials to carry out work in order to achieve optimal performance (Sedana & Riana, 2023). This study supports previous research conducted by Zunaidah et al., (2019) which concluded that there was no significant influence between leadership style and performance.

The T statistic value of the competency variable on motivation is 1.979 > 1.96 and the P value of 0.025 < 0.05, which means that the hypothesis is accepted so that it can be explained that competence has a significant effect on motivation. Employees who have goals and commitment to goals will be motivated to improve their competence in order to achieve organizational goals. The competence possessed by an employee is indispensable to answer the needs of the organization in the face of rapid environmental changes. Competence is the skill and ability to perform the work activities required to create primary value for the organization.
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(Anton, 2021). Riyanto & Anto, (2022) in their research explained that competence has a positive and significant effect on motivation. This research is also supported by research conducted by Airyq et al., (2023) that competence according to its position can be in the form of prioritization, planning, communication, influencing and motivating.

The T statistic value of the leadership style variable on motivation is 3.323 > 1.96 and the P value of 0.000 < 0.05, which means that the hypothesis is accepted so that it can be explained that leadership style has a significant effect on motivation. Goal setting theory is a form of motivation theory based on individuals who are committed to goals, and are motivated to achieve these goals.

This theory has a relationship with goals set with work performance. Therefore, the leadership style possessed by a leader has an important role in motivating subordinates to commit to organizational goals and achieve maximum work performance. Motivation can be well received if the leadership style applied is in accordance with organizational behavior and the work environment so as to create work comfort. Sitorus & Agustian, (2023) in their research explained that leadership style has a positive and significant effect on employee motivation.

The T statistic value of the motivation style variable on performance is 3.273 > 1.96 and the P value is 0.001 < 0.05, which means that the hypothesis is accepted so that it can be explained that motivation has a significant effect on performance. Setting goals that are difficult and measurable results will be able to improve performance followed by work expertise or skills. Motivation is one of the factors that can affect employee performance.

Motivation at work is needed by employees because employees who are motivated towards organizational goals and responsibilities will have better performance that they give to the organization where they work (Nur, Guntur, & Sulmiah, 2024). Ikhsan & Supartha, (2023) that motivation has a positive and significant impact on employee performance. In line with research by Alie, Riwikore, & Hawai, (2022) states that a work organization when the performance of its employees is deemed necessary, it is necessary to increase and work motivation is needed in the organization.

The T statistic value of the competency variable on performance through motivation is 1.517 < 1.96 and the P value of 0.065 < 0.05, which means that the hypothesis is rejected so that it can be explained that motivation is not able to mediate the effect of competence on performance. This shows that without motivation employees have been able to show their performance through the competencies they already have. The results of this study are in line with research conducted by Rusdiana, Meitiana, & Syamsudin, (2023) where the results of his research show that motivation is not proven to be able to mediate the influence between competence on performance.

The T statistic value of the leadership style variable on performance through motivation is 2.243 > 1.96 and the P value of 0.013 < 0.05, which means that the hypothesis is accepted so that it can be explained that motivation is able to mediate the effect of leadership style on performance. The goal setting theory states that if there is an organizational goal setting, it will help the leader to lead his employees so that they can be motivated to carry out their duties properly. Leadership is the key to good performance because it coordinates the use of human resources and other resources in the organization (Padmasari et al., 2023).

This study supports previous research conducted by Pariesti, Christa, & Meitiana, (2022) that leadership style directly has no significant effect on performance, but through mediation work motivation is clearly able to influence employee performance.

CONCLUSION, LIMITATIONS, AND SUGGESTIONS

Competence has a significant effect on performance and motivation, while leadership style only affects motivation not performance. Motivation is only able to mediate the influence between leadership style on performance, unable to mediate the influence between competence on performance.

This research is only limited to village officials in Rambang Subdistrict, Muara Enim Regency, therefore, future researchers are expected to expand the scope of the research area, namely all village officials in the South Sumatra Province.

Village officials are the executors who provide services to the village community and contribute to village empowerment. Therefore, the village head as a leader must be able to empower them and improve their competence through education and training accompanied by providing good motivation.

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