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The Influence of Competence, Compensation, and Leadership Style on the Performance of Village Officials in North Candi Laras District

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Abstract : *Village apparatus performance is a crucial factor in supporting the effectiveness of village governance and the quality of public services. However, several issues remain evident, including low attendance rates, delays in administrative reporting, and suboptimal public service performance among village officials in North Candi Laras District. This study aims to examine the effects of employee competence, compensation, and leadership style on village apparatus performance in North Candi Laras District, Tapin Regency. A quantitative approach with an explanatory research design was employed. The study involved 54 village apparatus members selected through a stratified random sampling technique. Data were collected using questionnaires and analyzed through multiple linear regression. The results reveal that employee competence, compensation, and leadership style each have a positive and significant effect on village apparatus performance. Simultaneously, these three variables also exert a significant influence on performance improvement. The findings indicate that enhancing employee competence, providing fair compensation, and implementing effective leadership practices are essential factors in improving village apparatus performance. This study contributes to the human resource management literature in the public sector, particularly in the context of village governance.*

Keywords: *competence; compensation; leadership style; village apparatus performance; village governance*

1. Introduction

Human resources are a strategic asset that determines an organisation's success in achieving its established objectives. Within public sector organisations, the quality of human resources has become increasingly important as it is directly associated with the effectiveness of governmental administration and the quality of services delivered to the public. Public officials are expected not only to perform administrative duties but also to possess adequate competence, integrity, and professionalism in order to provide optimal public services. Consequently, improving employee performance has become one of the principal priorities of bureaucratic reform and the strengthening of governance practices in Indonesia (Wibowo, 2022; Robbins & Judge, 2022).

Employee performance reflects the extent to which individuals successfully carry out the duties and responsibilities assigned by the organisation. High performance demonstrates an employee's ability to achieve work targets effectively and efficiently in accordance with established standards, whereas poor performance may lead to a decline in public service quality and reduced public trust in government institutions. According to Mangkunegara (2019), employee performance refers to the quality and quantity of work achieved by an individual in carrying out duties in accordance with assigned responsibilities.

In the context of village governance, the importance of employee performance has increased significantly since the enactment of Law Number 6 of 2014 concerning Villages, which granted broader authority to village governments in the administration of governance, development implementation, community development, and community empowerment. This expanded authority requires village officials to possess adequate capacity and capability to perform their duties in a professional, transparent, and accountable manner. Therefore, the performance of village officials has become a crucial factor in determining the success of village governance and sustainable community development.

Various factors influence the performance of village officials, including competence, compensation, and leadership style. Competence reflects a combination of knowledge, skills, abilities, and personal characteristics that enable individuals to perform their work effectively. Spencer and Spencer (1993) define competence as an underlying characteristic of an individual that is directly related to effective performance in a job. Officials with higher levels of competence are generally more capable of completing tasks accurately, understanding work procedures, and adapting to organisational changes.

In addition to competence, compensation plays a significant role in enhancing employee performance. Compensation is not merely regarded as remuneration for employees' contributions but also serves as a motivational instrument that can improve work productivity. Hasibuan (2019) defines compensation as all forms of income received by employees, whether in monetary form or other benefits, as remuneration for services rendered to the organisation. A fair compensation system that is commensurate with workload can increase job satisfaction, motivation, and organisational commitment.

Another important factor affecting employee performance is leadership style. Within village government organisations, the village head plays a strategic role as a leader responsible for coordinating governmental activities and directing village officials in carrying out their respective duties and functions. Robbins and Coulter (2021) explain that leadership effectiveness can be observed through a leader's ability to create a conducive working environment, establish effective communication, and motivate subordinates to achieve organisational goals.

Previous studies have demonstrated that competence, compensation, and leadership style are closely associated with employee performance. Sari (2022) found that competence positively influences the performance of public sector employees. Pratama and Hidayat (2023) revealed that a fair and competitive compensation system can enhance employee motivation and performance, while Nugroho (2021) reported that effective leadership styles contribute to the creation of a productive organisational climate that supports organisational achievement.

Nevertheless, most previous studies have focused on local government agencies or bureaucratic organisations located in urban areas. Research specifically examining the influence of competence, compensation, and leadership style on the performance of village officials, particularly within the context of village governments in Tapin Regency, remains limited. Yet village government organisations possess characteristics that differ from those of other governmental institutions in terms of organisational structure, available resources, and the characteristics of the communities they serve. This research gap highlights the need for a more comprehensive examination of the factors affecting the performance of village officials as a basis for developing human resource policies at the village level.

North Candi Laras District in Tapin Regency is one of the regions characterised by diverse social and administrative conditions. In carrying out governmental functions, village officials are expected to provide public services that are prompt, accurate, and compliant with prevailing regulations. However, the increasing complexity of public service demands requires adequate competence, a compensation system capable of motivating employees, and effective leadership in managing village government organisations. These three factors are considered to play a crucial role in improving the performance of village officials in fulfilling their duties and responsibilities.

Based on the foregoing discussion, this study aims to analyse the influence of competence, compensation, and leadership style on the performance of village officials in North Candi Laras District, Tapin Regency. The findings are expected to contribute theoretically to the development of public sector human resource management literature and provide practical insights for village and local governments in formulating policies aimed at enhancing the quality, professionalism, effectiveness, and service orientation of village officials.

2. Method

This study employed a quantitative approach with an explanatory research design aimed at examining the causal relationships between competence, compensation, and leadership style and the performance of village officials in North Candi Laras District, Tapin Regency. A quantitative approach was selected because the study sought to test predetermined hypotheses through objective measurement of variables and statistical analysis. According to Sugiyono (2023), quantitative research is a method grounded in the positivist paradigm and is used to investigate a particular population or sample for the purpose of testing established hypotheses.

The research was conducted across all village offices within North Candi Laras District, Tapin Regency. The study site was selected on the basis that village officials play a strategic role in village governance, public service delivery, and the implementation of development programmes. Furthermore, increasing demands for higher-quality public services require village officials to possess adequate competence, receive appropriate compensation, and be supported by effective leadership in order to achieve optimal performance.

The population of this study consisted of all village officials employed in village offices within North Candi Laras District, totalling 54 individuals. Given the relatively small population size, the study adopted a saturated sampling technique (census method), whereby all members of the population were included as research respondents. Sugiyono (2023) explains that saturated sampling is appropriate when the population is relatively small, allowing every member of the population to be selected as part of the sample. Consequently, the total sample comprised 54 respondents.

The study utilised both primary and secondary data sources. Primary data were collected directly from respondents through a structured questionnaire developed based on the indicators of each research variable. Secondary data were obtained from documents, reports, regulations, and scholarly literature relevant to the research topic. Data collection techniques included observation, questionnaires, and documentation. The questionnaire served as the principal instrument for gathering information regarding respondents' perceptions of competence, compensation, leadership style, and the performance of village officials.

The competence variable was measured based on the dimensions of knowledge, skills, and abilities possessed by village officials in carrying out their duties and responsibilities (Spencer & Spencer, 1993). The compensation variable was measured using indicators reflecting both financial and non-financial rewards received by employees as recognition for their contributions to the organisation (Hasibuan, 2019). Leadership style was measured through indicators related to a leader's ability to provide direction, motivation, communication, and decision-making within the organisation (Robbins & Coulter, 2021). Meanwhile, the performance of village officials was assessed through indicators of work quality, work quantity, timeliness, effectiveness in task execution, and responsibility (Mangkunegara, 2019).

Prior to data collection, the research instrument was subjected to validity and reliability testing. Validity testing was conducted to determine the instrument's ability to measure the intended variables accurately, while reliability testing was performed to assess the consistency of the instrument. An item was considered valid if its correlation coefficient exceeded the critical value of the correlation table, whereas the instrument was deemed reliable if it achieved a Cronbach's Alpha coefficient greater than 0.60 (Ghozali, 2021).

Data analysis was performed using the Statistical Package for the Social Sciences (SPSS). The analytical procedures included descriptive statistical analysis, data quality testing, classical assumption testing, multiple linear regression analysis, partial significance testing (t-test), simultaneous significance testing (F-test), and coefficient of determination (R^2) analysis. Descriptive statistics were employed to provide an overview of respondent characteristics and the distribution of responses across the research variables.

Classical assumption testing consisted of normality, multicollinearity, and heteroscedasticity tests to ensure that the regression model satisfied the necessary statistical requirements (Ghozali, 2021). Multiple linear regression analysis was subsequently conducted to determine the extent to which competence, compensation, and leadership style influenced the performance of village officials, both individually and collectively.

3. Results And Discussion

Respondent Characteristics

This study involved 54 village officials from various villages in North Candi Laras District, Tapin Regency. The respondents consisted of heads of administrative affairs, section heads, village secretaries, hamlet heads, and other village officials who were directly involved in village governance activities. The inclusion of all village officials as respondents provides a comprehensive overview of the conditions of competence, compensation, leadership style, and the performance of village officials in carrying out governmental duties and delivering public services.

Based on the data collected, the majority of respondents possessed diverse levels of work experience and educational backgrounds. These variations indicate that the performance of village officials is influenced not only by individual experience but also by organisational factors such as competence, compensation systems, and leadership styles implemented within village government institutions.

The Influence of Competence on the Performance of Village Officials

The regression analysis revealed that competence has a positive and significant effect on the performance of village officials in North Candi Laras District, Tapin Regency. This finding indicates that higher levels of competence among village officials are associated with better performance in carrying out their duties and responsibilities.

Competence refers to the combination of knowledge, skills, and attitudes required to perform work effectively. Village officials with adequate competence are more likely to understand their primary duties and functions, complete tasks efficiently, and adapt to changing regulations and increasingly complex public service demands. Within the context of village governance, competence is particularly important because officials are expected to manage governmental administration, public services, village financial management, and development programmes in a professional manner.

This finding is consistent with the competency theory proposed by Spencer and Spencer (1993), which states that competence represents an underlying characteristic of an individual that is directly related to effective performance. Individuals possessing higher levels of competence are generally capable of producing superior performance outcomes compared to those with lower levels of competence. The present study also supports the findings of Sari (2022), who concluded that competence positively influences the performance of public sector employees.

Empirically, these findings suggest that improving the quality of village human resources through education, training programmes, technical guidance, and capacity-building initiatives is essential. Competency development programmes not only enhance technical abilities but also improve decision-making skills, problem-solving capabilities, and the capacity to provide more effective public services. Therefore, investment in the development of village officials' competencies constitutes a strategic effort to improve the quality of village governance.

The Influence of Compensation on the Performance of Village Officials

The findings indicate that compensation has a positive and significant effect on the performance of village officials. This result demonstrates that compensation which is aligned with responsibilities and workload can

enhance motivation and encourage village officials to perform their duties more effectively.

Compensation represents a form of reward provided by an organisation in recognition of employees' contributions. It may include financial compensation such as salaries, allowances, and incentives, as well as non-financial compensation such as recognition, appreciation, and opportunities for career advancement. According to Hasibuan (2019), fair and adequate compensation increases employee job satisfaction, which in turn contributes to higher levels of productivity.

Within the village government environment, compensation plays a crucial role because it is directly related to the welfare of village officials. Officials who perceive that they receive appropriate rewards for their efforts tend to demonstrate higher levels of motivation and organisational commitment. Conversely, inadequate compensation may reduce work motivation and negatively affect the quality of services delivered to the public.

The findings support the study conducted by Pratama and Hidayat (2023), which concluded that an effective compensation system can enhance employee motivation and performance. This evidence reinforces the argument that employee welfare cannot be separated from efforts to improve organisational performance. Consequently, village governments should pay greater attention to compensation systems in order to maintain a balance between employees' rights and obligations.

In addition to financial compensation, non-financial rewards should also receive considerable attention. Recognition of outstanding performance, opportunities to participate in training programmes, and support for career development may further strengthen employee motivation. Therefore, compensation management should be implemented comprehensively in order to maximise its impact on performance improvement.

The Influence of Leadership Style on the Performance of Village Officials

The results demonstrate that leadership style has a positive and significant effect on the performance of village officials. This finding suggests that the effectiveness of village leadership plays a substantial role in enhancing the quality of work performed by village officials.

Leadership can be defined as the ability to influence the behaviour of individuals or groups in order to achieve organisational objectives. Within village government organisations, the village head acts as a leader responsible for directing organisational activities, coordinating village officials, and ensuring that governmental programmes are implemented effectively. Consequently, the leadership style adopted by the village head significantly influences the organisational climate and productivity of village officials.

Robbins and Coulter (2021) argue that effective leaders are capable of establishing effective communication, motivating subordinates, and creating a supportive working environment. Such leadership fosters higher levels of motivation, loyalty, and organisational commitment. In this study, village officials tended to demonstrate better performance when they received clear direction, support in carrying out their duties, and opportunities to participate in organisational decision-making processes.

The findings are consistent with the study conducted by Nugroho (2021), which reported that leadership style significantly affects employee performance in public sector organisations. Leaders who serve as role models and provide motivation to their subordinates are more likely to create a productive organisational culture. Conversely, ineffective leadership may hinder coordination and reduce employees' enthusiasm in performing their duties.

In the context of village governance, participative and communicative leadership appears to be particularly relevant. The involvement of village officials in planning and programme implementation processes can foster a stronger sense of ownership towards the organisation, thereby improving overall performance.

The Simultaneous Influence of Competence, Compensation, and Leadership Style on the Performance of Village Officials

The simultaneous testing results indicate that competence, compensation, and leadership style collectively have a significant effect on the performance of village officials in North Candi Laras District, Tapin Regency. This finding suggests that efforts to improve the performance of village officials cannot rely solely on a single factor but require a comprehensive and integrated approach.

Competence contributes by enhancing individuals' abilities to perform their duties effectively. Compensation functions as a mechanism for increasing motivation and job satisfaction, while leadership style creates a working environment that supports organisational productivity. These three factors complement one another and collectively shape the work behaviour of village officials.

The findings support human resource management theories which posit that performance results from the interaction between individual capability, work motivation, and organisational support (Armstrong & Taylor, 2023; Wibowo, 2022). When one of these factors is lacking, organisational effectiveness is likely to decline. Conversely, when employee competence is continuously improved, compensation is managed fairly, and leadership is exercised effectively, organisations are more likely to achieve their intended objectives.

Therefore, efforts to improve the performance of village officials should be implemented through comprehensive strategies encompassing human resource competency development, improvements to compensation

systems, and the strengthening of village leadership capacity. Such strategies are expected to create professional, productive, and responsive village officials capable of delivering high-quality public services while supporting sustainable village development.

4. Conclusion

Based on the findings of this study, it can be concluded that competence, compensation, and leadership style have positive and significant effects on the performance of village officials in North Candi Laras District, Tapin Regency. Partially, competence contributes to enhancing the ability of village officials to perform their duties and responsibilities effectively; compensation plays an important role in increasing motivation and work enthusiasm; while leadership style influences the creation of a conducive and productive working environment. The findings indicate that village officials who possess adequate competence, receive appropriate compensation, and work under effective leadership tend to demonstrate higher levels of performance in carrying out governmental functions and delivering public services.

Simultaneously, competence, compensation, and leadership style were found to make a significant contribution to improving the performance of village officials. This finding suggests that efforts to enhance employee performance cannot be undertaken in isolation but require an integrated approach involving human resource capacity development, the improvement of fair and proportional compensation systems, and the strengthening of leadership quality at the village government level. Therefore, both village and local governments should continue to promote competency development programmes, pay greater attention to employee welfare, and foster participative and adaptive leadership practices in order to support the achievement of professional, effective, and public service-oriented village governance.

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