

How Competence, Organizational Culture, and Leadership Affect Employee Performance

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Publication Date: 2025/11/21

Abstract: This study aims to analyze the effects of competence, organizational culture, and leadership on employee performance at PT. Triyasa Pirsas Utama Banjarbaru. The research employs a quantitative approach with a population of 50 employees, all of whom were used as the sample through a saturated sampling technique. Data were collected using a Likert-scale questionnaire and analyzed using multiple linear regression to examine both partial and simultaneous effects among the variables. The results show that competence has a significant effect on employee performance, indicating that knowledge, skills, and work attitudes are crucial factors in improving work effectiveness. Organizational culture also has a significant impact on performance, where values such as teamwork, integrity, discipline, and result orientation contribute to creating a productive work environment. Meanwhile, leadership does not have a significant effect on employee performance, suggesting that leadership influence has not yet become a key factor in driving performance within the company. Simultaneously, competence, organizational culture, and leadership significantly affect employee performance. These findings emphasize that effective human resource management requires an integration of competence development, strengthening of work culture, and improvement of leadership roles. This study is expected to serve as input for management in formulating more appropriate and sustainable human resource development strategies.

Keywords: Competence, Organizational Culture, Leadership, Employee Performance.

How to Cite: Supian Noor; Titien Agustina; Syamsuddinnor (2025) How Competence, Organizational Culture, and Leadership Affect Employee Performance. *International Journal of Innovative Science and Research Technology*, 10(11), 1104-1109. <https://doi.org/10.38124/ijisrt/25nov622>

I. INTRODUCTION

In an era of increasingly competitive global competition, employee performance has become a key factor determining organizational success. Performance is influenced not only by individual abilities but also by how well an organization can create an effective work environment, aligned systems, and a supportive organizational culture. Modern organizations are required to be adaptive to change, as the dynamics of internal subsystems often give rise to complex issues that affect organizational balance and effectiveness.

The concept of Organizational Development (OD) emphasizes the importance of renewal and alignment of internal elements including human resource competence, leadership, work structure, and organizational culture to achieve optimal performance. However, observations indicate that PT. Triyasa Pirsas Utama, as a rapidly growing surveyor service company, faces several gaps in its organizational change process. Phenomena such as unclear work structures and systems, ineffective communication, weak coordination, low teamwork, and misalignment of authority and responsibility reflect symptoms of organizational syndrome that may hinder performance improvement.

These conditions highlight the need to strengthen organizational elements, particularly leadership, organizational culture, and employee competence, as strategic factors in creating a healthy work climate and enhancing productivity. Therefore, this study was conducted to analyze the influence of these three factors on employee performance at PT. Triyasa Pirsas Utama as a foundation for formulating more effective organizational development strategies.

II. LITERATURE REVIEW

➤ Competence

Competence is a fundamental characteristic possessed by an individual that is directly related to the effectiveness of their performance. Spencer & Spencer (1993) state that "competence is an underlying characteristic of an individual that is causally related to effective or superior performance in a job," meaning that competence can predict the quality of behavior and work outcomes. Sutrisno (2009) reinforces this view by explaining that competence is essential for organizations to face environmental changes and complexity, as it represents "the ability based on skills, knowledge, and work attitudes, applied in accordance with job requirements." Similarly, Wibowo (2012) emphasizes that competence is "the ability to perform work based on skills, knowledge, and work

attitudes,” which reflects an individual’s professionalism in their field. Thus, competence is a crucial factor that determines an employee’s success in meeting job demands.

➤ Organizational Culture

In various literatures, the terms corporate culture and organizational culture are often used interchangeably, both referring to the shared values and behavioral patterns within an organization. Daft (2010) explains that organizational culture is “a set of key assumptions shared by members of an organization,” which are often implicit but serve as the foundation for thinking and acting. Similarly, Want (2007) defines organizational culture as a collection of shared values, principles, traditions, and working methods that influence members’ actions. Pabundu (2010) also emphasizes that organizational culture functions as a guideline for addressing internal and external problems, implemented consistently and passed down to new members as a way to understand and respond to organizational challenges. Robbins et al. (2008) add that organizational culture originates from the founders’ vision and evolves through employee selection, managerial actions, and socialization mechanisms that help new employees understand the organization’s working patterns. Therefore, organizational culture serves as a guide for what is acceptable and unacceptable behavior, forming the foundation for members’ actions in performing their daily tasks.

➤ Leadership

Leadership plays a vital role in organizational management, as humans have inherent limitations that require both leaders and followers. Broadly, leadership can be understood in terms of individual traits, habits, the ability to influence others, position within the organization, or perceptions of authority. According to Sugandha (1986), leadership is the activity of influencing others to achieve desired goals. In the context of organizational development, leadership is often regarded as the backbone of success, as without effective leadership, achieving organizational goals becomes difficult. Leaders who aim to influence subordinates’ behavior must consider the leadership style they apply—a set of behaviors and strategies derived from a combination of philosophy, skills, traits, and attitudes. Tampubolon (2007) explains that leadership style is the way a leader influences others’ behavior, while Thoha (2010) asserts that it represents behavioral norms used by leaders when influencing subordinates, thus requiring alignment of perception between leaders and followers. In relation to Organizational Citizenship Behavior (OCB), several studies indicate that leadership plays a central role in motivating subordinates to work not only for rewards but also voluntarily beyond their formal duties. Based on these perspectives, leadership can be defined as the activity of influencing, motivating, and directing subordinates through communication processes to achieve organizational goals effectively and efficiently. Therefore, in this study, the leadership construct is generalized into four main indicators: influence, motivation, decision-making, and information.

➤ Employee Performance

Performance essentially reflects an individual’s ability, as every person has the potential to act, but this potential only manifests under certain conditions as performance. Etymologically, performance originates from the term job

performance, which according to Mangkunegara (2006) is “the result of work in terms of quality and quantity achieved by an employee in carrying out duties in accordance with their responsibilities.” Furthermore, Mangkunegara (2006) distinguishes performance into two types: individual performance and organizational performance, where the latter is the accumulation of individual and group performance. Mathis and Jackson (2005) also define performance as “the work outcomes of an individual or group within an organization, in accordance with their authority and responsibility, and without violating legal or ethical standards.” Additionally, performance reflects the actual behavior exhibited by employees in carrying out their duties, making it crucial for achieving organizational goals (Veithzal & Basri, 2005). Therefore, performance can be concluded as the work result of organizational members that demonstrates success in completing assigned tasks.

➤ Conceptual Framework and Hypotheses

The conceptual framework is a theoretical model used as the foundation for explaining the relationships among variables in a study. This framework serves to integrate theories, facts, observations, and literature reviews to provide a logical explanation of why these variables are interrelated (Sugiyono, 2020:143). From another perspective, the conceptual framework illustrates the relationship between theories and key factors identified as research problems, helping researchers understand the direction of problem-solving (Sugiyono, 2011:60). Based on this foundation, the present study develops a conceptual framework that explains that competence, organizational culture, and leadership are considered factors influencing employee.

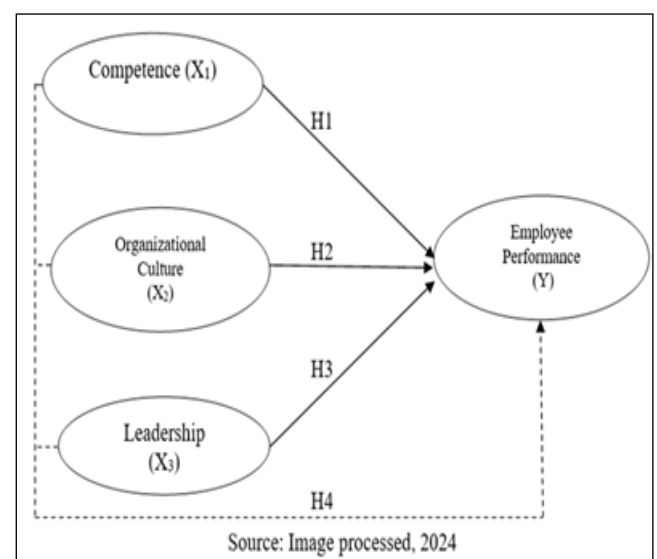


Fig 1 Conceptual Framework

Based on the research questions and theoretical review, the proposed hypotheses are as follows:

- (H1) Competence has an effect on employee performance;
- (H2) Organizational culture has an effect on employee performance;
- (H3) Leadership has an effect on employee performance; and
- (H4) Competence, organizational culture, and leadership simultaneously affect employee performance.

III. RESEARCH METHOD

This study employs a quantitative research design to test the hypotheses regarding the influence of competence, organizational culture, and leadership on employee performance. The quantitative approach is used to test theories, describe relationships among variables, and produce measurable and objective findings (Sugiyono, 2014). Data analysis was conducted using multiple linear regression to determine the effect of each independent variable on the dependent variable, namely employee performance. The scope of the study is limited to four main variables: competence, organizational culture, leadership, and employee performance within the context of Human Resource Management at PT. Triyasa Pirsas Utama. The research was conducted at PT. Triyasa Pirsas Utama, located on Jl. Jend. A. Yani Km. 21 Banjarbaru, South Kalimantan, from February to July 2025.

The research variables were identified based on operational definitions from experts, in which a variable is defined as the object of research focus (Arikunto, 2010). Competence (X1) is defined as an individual's ability to perform tasks supported by knowledge, skills, and work attitudes (Wibowo, 2014), with indicators including beliefs, values, skills, motivation, personal characteristics, and intellectual ability. Organizational culture (X2) refers to the shared perceptions that form a system of meaning within the organization (Robbins, 2015), measured through innovation, risk-taking, attention to detail, and result orientation. Leadership (X3) is the leader's ability to influence subordinates to achieve organizational goals (Hasibuan, 2010), with indicators including decision-making, communication, vision and strategy, motivation, and conflict management. Meanwhile, employee performance (Y) is defined as an individual's success in completing tasks effectively and efficiently in accordance with organizational goals (Bernardin, 2003), with indicators such as work quality, responsibility, timeliness, effectiveness, independence, and work commitment.

The study population consisted of 50 employees at PT. Triyasa Pirsas Utama, all of whom were included as the research sample using a saturated sampling technique due to the small population size (Sugiyono, 2014). The types of data used include primary data obtained through questionnaires and secondary data derived from company documents, literature, and other scholarly references. Data collection techniques included observation, interviews, distribution of Likert-scale questionnaires (1–5), literature review, and documentation. Data were analyzed using multiple linear regression, accompanied by validity and reliability tests of the instruments using SPSS. Hypothesis testing was carried out using the t-test to determine partial effects and the F-test to assess simultaneous effects, in accordance with statistical guidelines (Ghozali, 2009).

Before conducting the regression analysis, classical assumption tests were performed to ensure the model's validity. The normality test was used to verify that the data were normally distributed (Ghozali, 2009), while multicollinearity was tested by examining tolerance and VIF values. The heteroscedasticity test was conducted using a scatterplot to detect variance inequality, and the linearity test was applied to ensure that the relationships among variables were linear, as recommended by Priyanto (2009). Through this series of procedures, the study aims to produce findings that are valid, reliable, and scientifically accountable.

IV. RESULTS AND DISCUSSION

A. Hypothesis Testing Results

➤ F-Test (Simultaneous Test)

The hypothesis testing in this study was carried out using multiple linear regression analysis to determine the effect of each variable: competence, organizational culture, and leadership on employee performance at PT. Triyasa Pirsas Utama Banjarbaru. The F-test was used by comparing the calculated F-value ($F_{\text{calculated}}$) with the critical F-value (F_{table}). The results of the F-test can be seen in Table 1 below:

Table 1 Results of F-Count Calculation

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	336.892	3	112.297	22.727	.000 ^b
	Residual	227.288	46	4.941		
	Total	564.180	49			
a. Dependent Variable: Y						
b. Predictors: (Constant), X3, X1, X2						

Source: Data processed with SPSS, 2025.

At a 95% confidence level ($\alpha = 0.05$) and degrees of freedom (df) = 3:50, the F_{table} value is 3.200, while the $F_{\text{calculated}}$ value is 22.727. Since $F_{\text{calculated}} > F_{\text{table}}$, H_0 is rejected and H_a is accepted. Thus, it is statistically proven that the variables of competence, organizational culture, and leadership simultaneously have a significant effect on employee

performance at PT. Triyasa Pirsas Utama Banjarbaru. Therefore, the hypothesis stating that competence, organizational culture, and leadership simultaneously influence employee performance at PT. Triyasa Pirsas Utama Banjarbaru is statistically accepted.

➤ *t-Test (Partial Test)*

The t-test is conducted to determine whether competence, organizational culture, and leadership have a significant partial effect on employee performance at PT. Triyasa Pirsu Utama

Banjarbaru, and to identify which variable has the most dominant influence on employee performance. The partial test results can be seen in Table 2 below.

Table 2 Partial Multiple Regression Test Results

Variable	Unstandardized Coefficients B	Standardized Coefficients Beta	t count	Sig.t	t table	Ket.
Competence (X_1)	0,619	0,760	8,105	0,000	1,677	Significan
organizational culture (X_2)	0,390	0,539	4,428	0,000	1,677	Significan
Leadership (X_3)	0,227	0,288	2,084	0,042	1,677	Significan

Source: Data processed with SPSS, 2025.

Partial testing (t-test) was also conducted to examine hypothesis, as follows:

➤ *The Effect of Competence (X_1) on Employee Performance*

The t-count value for the competence variable is 8.105, which is higher than the t-table value of 1.677. Thus, competence has a significant effect on the performance of employees at PT. Triyasa Pirsu Utama Banjarbaru, with a probability error rate of 0.000 (less than 0.05). Therefore, the hypothesis stating that competence has a positive and significant influence on employee performance at PT. Triyasa Pirsu Utama Banjarbaru is accepted.

➤ *The Effect of Organizational Culture (X_2) on Employee Performance*

The t-count value for the organizational culture variable is 4.428, which is greater than the t-table value of 1.677. This means that organizational culture has a significant partial effect on employee performance at PT. Triyasa Pirsu Utama Banjarbaru, with a probability error rate of 0.000 (less than 0.05). Thus, the hypothesis stating that organizational culture has a positive and significant influence on employee performance is accepted.

➤ *The Effect of Leadership (X_3) on Employee Performance*

The t-count value for the leadership variable is 2.084, which is higher than the t-table value of 1.677. Therefore, leadership has a significant partial effect on employee performance at PT. Triyasa Pirsu Utama Banjarbaru, with a probability error rate of 0.042 (less than 0.05). Hence, the hypothesis stating that leadership has a positive influence on employee performance is accepted.

B. Discussion

➤ *The Effect of Competence on Employee Performance*

The results show that competence has a significant effect on employee performance at PT. Triyasa Pirsu Utama Banjarbaru. Competence which includes knowledge, skills, and work attitude shapes employees' ability to work effectively and efficiently. Employees with high competence tend to produce high-quality work, maintain discipline, complete tasks on time,

and easily adapt to technological and organizational changes. Statistically, competence has a positive relationship with performance, indicating that increasing training, coaching, and competency-based recruitment can enhance work results. This finding supports studies by Suryadana (2019) and Widyatmini (2022), which found that competence significantly affects employee performance. Therefore, competency development should be carried out systematically and continuously to improve the company's productivity.

➤ *The Effect of Organizational Culture on Employee Performance*

Organizational culture also has a significant influence on employee performance. At PT. Triyasa Pirsu Utama Banjarbaru, values such as integrity, discipline, teamwork, result orientation, and innovation shape employee behavior and motivation. A strong culture creates a conducive work environment, enhances a sense of belonging, strengthens communication, and accelerates decision-making. The impact is seen in improved timeliness, output quality, and work responsibility. This finding aligns with Schein's theory (2010), which states that a strong organizational culture enhances stability and effectiveness, and with research by Abu Bakar Sidiq (2021) and Hairunisa (2021), which also found a positive relationship between organizational culture and employee performance. Therefore, the company should continuously reinforce cultural values through leadership example, open communication, and value-based rewards.

➤ *The Effect of Leadership on Employee Performance*

This study found that leadership does not have a significant effect on employee performance at PT. Triyasa Pirsu Utama Banjarbaru. This may be due to a well-established work system that allows employees to perform tasks independently without heavy reliance on leaders. Other influencing factors may include respondent characteristics, sample size, and dominant environmental factors compared to leadership style. Nonetheless, leadership remains important as a guiding, supervisory, and motivational role to ensure employees work in line with the organization's vision and mission. This finding is consistent with Rompas et al. (2018), who found that leadership may not significantly affect

performance when other factors are more dominant. Even if the effect is not significant, leaders should still act as role models, understand employee needs, and ensure effective implementation of work programs.

➤ *The Simultaneous Effect of Competence, Organizational Culture, and Leadership*

Simultaneously, competence, organizational culture, and leadership have a significant effect on employee performance. These three variables complement each other and create synergy, forming adaptive, productive, and high-performing human resources. Competence provides the technical and behavioral foundation; organizational culture offers direction, values, and behavioral standards; while leadership fosters a positive and collaborative work climate. The statistical results indicate that the combination of these variables strongly contributes to overall performance achievement. This emphasizes the need for an integrated HR management approach through competency training, strengthening of work culture, and tiered leadership development to ensure optimal and sustainable company performance.

V. CONCLUSION AND RECOMMENDATION

➤ *Conclusion*

This study concludes that competence and organizational culture have significant effects on employee performance, while leadership does not have a significant partial effect, but contributes significantly when analyzed simultaneously with the other variables.

Competence is proven to be the main factor that improves work quality, discipline, timeliness, technical ability, and adaptability among employees at PT. Triyasa Pirsu Utama Banjarbaru. The higher the employees' knowledge, skills, and work attitudes, the better their performance.

Organizational culture contributes greatly to shaping productive work behavior. Values such as integrity, teamwork, innovation, and result orientation create a conducive work environment that enhances motivation and employee loyalty.

Leadership, when viewed partially, does not significantly affect performance, possibly due to structured work systems and high employee independence. Nevertheless, leadership remains essential for providing guidance, setting examples, and supporting organizational activities.

Simultaneously, competence, organizational culture, and leadership significantly affect employee performance. This indicates that optimal performance is achieved when companies develop employee competence, strengthen work culture, and maintain leadership quality.

Thus, this study highlights the importance of a comprehensive human resource management approach, focusing not only on one factor but optimizing all internal organizational aspects in an integrated manner to enhance employee performance.

➤ *Suggestions*

Based on the findings, it is recommended that the company continue improving employee competence through training, coaching, and job-related certification. Moreover, organizational culture should be strengthened by emphasizing integrity, teamwork, and result orientation, supported by leadership examples and consistent reward systems. Although leadership does not show a significant effect, its role in communication, mentoring, and employee empowerment should still be optimized to support better performance. The company should also integrate HR development strategies across competence, work culture, and leadership to achieve more effective performance outcomes.

For future research, it is suggested to include additional variables such as motivation, work environment, or compensation, and to expand the sample size to obtain more comprehensive and generalizable results.

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