

THE EFFECT OF COMPETENCY, INTRINSIC MOTIVATION AND ORGANIZATIONAL CULTURE ON EMPLOYEE PERFORMANCE AT NATIONAL UNIVERSITY MEDIATED BY KEY PERFORMANCE INDICATOR (KPI) ASSESSMENT

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ABSTRACT

This study aims to analyze the influence of competence, intrinsic motivation, and organizational culture on Key Performance Indicators (KPI) assessment and its implications for employee performance at Universitas Nasional. The results indicate that competence, intrinsic motivation, and organizational culture each have a positive and significant effect on KPI assessment. Furthermore, these three variables also positively and significantly affect employee performance. KPI assessment serves as an intervening variable that strengthens the relationship between competence, intrinsic motivation, and organizational culture with employee performance. The findings suggest that enhancing employees' skills and knowledge, fostering intrinsic motivation, and implementing a positive organizational culture can improve KPI achievement, which in turn directly impacts employee performance. Therefore, human resource management focused on developing competence, strengthening intrinsic motivation, and creating a supportive organizational culture becomes a strategic factor in sustainably improving employee performance.

Keywords: Competence; Intrinsic Motivation; Organizational Culture; Key Performance Indicators (KPI); Employee Performance.

INTRODUCTION

At present, higher education institutions are confronted with both global opportunities and challenges within an environment and order that continue to change rapidly. Consequently, universities are required to optimize the resources they possess, one of the most important being human resources (HR). Over time, perspectives on human resources have shifted; whereas HR was previously viewed merely as a factor of production, it is now regarded as a highly valuable asset for organization (Ardana, I Komang, Ni Wayan Mujati, 2012:68). In the era of globalization and increasingly intense

competition, organizational success is largely determined by employee performance. A key source of competitive advantage for higher education institutions lies in how effectively they manage human resource management (HRM), which in turn enhances performance and enables organizations to meet their strategic objectives (Lula Lutfiah Intani, 2024).

Employee performance is influenced by various interrelated factors. One strategic approach to improving performance is through the implementation of competence development, intrinsic motivation, organizational culture, and Key

Performance Indicator (KPI) assessment. Organizational culture plays a critical role in shaping identity, values, and behavior within an organization. Its influence on employee performance can be substantial, as a strong and positive culture fosters motivation, engagement, and commitment. Conversely, an uncondusive organizational culture may lead to low motivation and diminished employee performance (Putri et al., 2022).

The organizational culture currently implemented is expected to exert a significant influence on employee performance. Universitas Nasional has articulated a vision to become one of the top ten private universities in Indonesia in the development of science, technology, and research based on cultural values, while achieving international accreditation toward becoming a World Class University by 2025. In responding to global challenges and a continuously changing environment, Universitas Nasional has adopted a strong organizational culture grounded in its core values: Perseverance, Integrity, Optimism, Networks, Innovation, Respect, and Collaboration (PIONIR). According to Sullivan et al. (2001), organizations led by strong core values are able to outperform others across various dimensions, including revenue growth, work productivity, customer satisfaction, overall performance, and lower employee turnover.

Employee performance is a top priority in both public and private institutions. As a private higher education institution, Universitas Nasional faces a serious issue related to the instability of its employee performance, which requires immediate attention. Student complaints regarding service quality appear to align with

fluctuations in employee performance achievement at Universitas Nasional.

In 2021, 2023, and 2024, employee performance at Universitas Nasional was categorized as “Good,” with achievement levels of 83%, 80%, and 84%, respectively. However, in 2022, employee performance declined to 75% and was categorized as “Fair.” The instability of employee performance and its failure to meet the established annual target of 100% under the “Very Good” category represents a serious concern. These fluctuations indicate the presence of obstacles that must be addressed.

Competence is one of the key factors influencing employee performance (Pusparani, 2021). According to (Fadude Fikri Djafar, 2019) According to Fadude Fikri Djafar (2019), competence represents fundamental individual characteristics that indicate patterns of behavior and thinking, enable individuals to adapt to situations, and persist over a considerable period. Intrinsic motivation is also a crucial factor, as it drives employees to perform better based on personal satisfaction derived from their work. Intrinsic motivation is a psychological process reflected in behavior (Kreitner dan kinicki as cited in Priansa, 2016:202). Meanwhile, employee performance appraisal, as highlighted in studies by Lazer and Wikstrom (as cited Nguyen, et al., 2020) encompasses aspects such as technical skills, conceptual abilities, and interpersonal skills. (Rivai, 2015) emphasizes that assessing employee performance is essential to determine performance levels, and empirical studies identify KPI as one of the factors influencing employee performance (Mayasari et al., 2018).

Previous studies present inconsistent findings regarding the determinants of employee performance.

Research by Edi Sugiono, Sugito Efendi, and Al-Afgani (2021) concludes that competence positively influences employee performance, whereas Rosmaini and Tanjung (2019) report contrary results, indicating that competence does not significantly affect performance. Furthermore, Tria Rizki Ananda (2022) finds that intrinsic motivation positively influences employee performance, while Afdi Tria Putra, Jaju Herawati, and Ignatius Soni Kurniawan (2023) report opposing findings, suggesting no significant effect. Similarly, research by Ni Komang Mia Widiastini, Putu Yudy Wijaya, and I Gede Aryana Mahayasa (2023) concludes that organizational culture positively affects employee performance, whereas Ferdian and Devita (2020) report contradictory results.

These research gaps serve as a key motivation for the present study, which seeks to address these inconsistencies by incorporating KPI assessment as a mediating variable. A mediating variable functions as an intermediary positioned between independent and dependent variables, such that the independent variable does not directly influence changes in the dependent variable (Sugiyono, 2019).

Based on the background and identified research gaps, this study is conducted under the following title: **“The Effect of Competence, Intrinsic Motivation, and Organizational Culture on the Performance of Universitas Nasional Employees Mediated by Key Performance Indicator (KPI) Assessment.”**

METHODS

Research Conceptual Framework

The conceptual framework is a model that illustrates the relationship between theory and the key factors associated with a particular problem (Sugiyono, 2018:95; Amirullah, 2002). According to (Polancik, 2009), this framework may take the form of a diagram that depicts the systematic structure of the research. The conceptual framework explains the pattern of relationships among variables, including independent variables (X), dependent variables (Y), and mediating variables (Z). The development of the framework requires observation as well as the collection of relevant facts and data. A well-constructed framework is able to theoretically explain the interrelationships among the variables under investigation (Sugiyono, 2018:95).

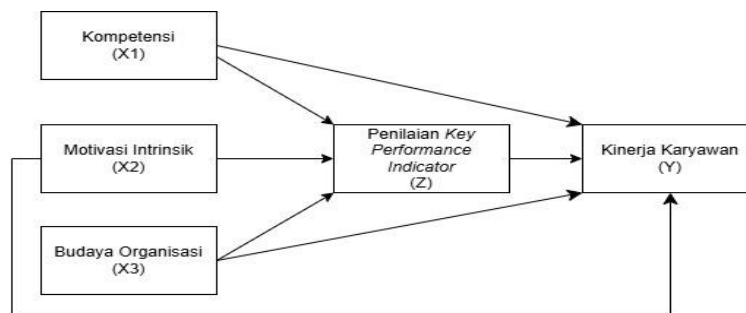


Figure 1. Research Conceptual Framework

Types and Sources of Data Types of Data

According to Sugiyono (2019:9), research data are classified into two types:

1. **Qualitative Data:** Data presented descriptively in the form of words, sentences, narratives, expressions, images, or photographs.
2. **Quantitative Data:** Data in numerical form, or qualitative data that are transformed into numerical values through measurement and subsequently analyzed using statistical techniques.

Sources of Data

Data sources refer to the objects or subjects from which data are obtained. Respondents provide information either orally or in written form. This study utilizes data collected from permanent and active contract employees of Universitas Nasional, as well as relevant annual reports related to the research. Based on Sugiyono (2019:9), data sources are divided into:

1. **Primary Data:** Data obtained directly from the source through interviews, observations, or surveys.
2. **Secondary Data:** Data obtained indirectly from documents, reports, publications, or third parties to support primary data.

Data Collection Techniques

This study employs a questionnaire as the primary data collection technique Sugiyono, (2021). The questionnaire contains indicators of competence, Key Performance Indicators (KPI), intrinsic motivation, organizational culture, and employee performance. Responses are measured using a five-point Likert scale (Sugiyono, 2017): consisting of: Strongly Agree (5), Agree (4), Neutral (3), Disagree (2), and Strongly Disagree (1).

Population and Sample

According to Sugiyono, (2019), the population refers to a generalized area consisting of subjects or objects with specific characteristics. The population of this study includes all employees of Universitas Nasional, totaling 263 individuals. The sample is a subset of the population that represents its characteristics Sugiyono, (2019). This study applies non-probability sampling using a purposive sampling technique, selecting permanent and active contract employees. The sample size is determined using the Taro Yamane formula.

$$n = \frac{N}{1 + N \cdot e^2}$$

Where:

n = sample size

N = population size

d = precision value/error tolerance

1 = constant

$$n = \frac{263}{1 + 263 \cdot (0,05)^2}$$

$$n \approx 158,69$$

With an error tolerance of 5% or 0.05, the calculated sample size for this study is 159 respondents (rounded up).

RESULT AND DISCUSSION

Results of the WrapPLS Outer Model Test

Composite Reliability

A construct or variable is considered reliable if it yields a Cronbach's alpha value greater than 0.6 (Arikunto, 2016), Accordingly, an instrument that meets this criterion can be deemed reliable.

Table 1. Composite Reliability Test Results

| Variable | Cronbach's Alpha | Composite Reliability | Description |
|-----------------------------|------------------|-----------------------|--------------------------|
| Competence (X1) | 0.794 | 0.879 | ≥ 0.60 (Acceptable) |
| Intrinsic Motivation (X2) | 0,767 | 0,866 | ≥ 0.60 (Acceptable) |
| Organizational Culture (X3) | 0.852 | 0,900 | ≥ 0.60 (Acceptable) |
| KPI Assessment (Z) | 0,896 | 0.923 | ≥ 0.60 (Acceptable) |
| Employee Performance (Y) | 0.834 | 0.885 | ≥ 0.60 (Acceptable) |

Source: Processed by the researcher (2025)

The table above indicates that the results of the internal consistency test using Cronbach's Alpha and Composite Reliability for all constructs are ≥ 0.6 . Therefore, all five variables in this study have passed the internal consistency reliability test.

Discriminant Validity Test

Discriminant validity is assessed by comparing indicator loadings, where an indicator should load higher on its intended construct than on other constructs (Ayatulloh Michael Musyaffi, Hera Khairunnisa, 2022). The discriminant validity test results using cross-loadings and the Fornell-Larcker criterion are presented below.

Table 2. Discriminant Validity Test Using Cross-Loadings

| | Competence (X1) | Intrinsic Motivation (X2) | Organizational Culture (X3) | KPI Assessment (Z) | Employee Performance (Y) |
|-------------|-----------------|---------------------------|-----------------------------|--------------------|--------------------------|
| KOM1 | 0.810 | | | | |
| KOM2 | 0.836 | | | | |
| KOM3 | 0.877 | | | | |
| MI1 | | 0.872 | | | |
| MI2 | | 0.861 | | | |
| MI3 | | 0.743 | | | |
| BO1 | | | 0.782 | | |
| BO2 | | | 0.842 | | |
| BO3 | | | 0.849 | | |
| BO4 | | | 0.854 | | |
| KPI1 | | | | 0.762 | |
| KPI2 | | | | 0.865 | |
| KPI3 | | | | 0.863 | |
| KPI4 | | | | 0.857 | |
| KPI5 | | | | 0.853 | |
| KK1 | | | | | 0.583 |
| KK2 | | | | | 0.839 |
| KK3 | | | | | 0.723 |
| KK4 | | | | | 0.872 |
| KK5 | | | | | 0.841 |

Source: Processed by the researcher (2025)

Table 2 shows that the cross-loading value of each indicator on its respective latent variable is higher than

its cross-loading values on other latent variables. Thus, discriminant validity is confirmed, as each indicator loads more

strongly on its intended construct. For example, indicators of the competence variable exhibit higher loadings on the

competence construct than on other constructs.

Table 3. Discriminant Validity Test Using the Fornell–Larcker Criterion

| | Competence (X1) | Intrinsic Motivation (X2) | Organizational Culture (X3) | KPI Assessment (Z) | Employee Performance (Y) |
|------------------------------------|------------------------|----------------------------------|------------------------------------|---------------------------|---------------------------------|
| Competence (X1) | 0.842 | 0.814 | 0.689 | 0.835 | 0.750 |
| Intrinsic Motivation (X2) | 0.814 | 0.827 | 0.732 | 0.807 | 0.743 |
| Organizational Culture (X3) | 0.689 | 0.732 | 0.832 | 0.767 | 0.746 |
| KPI Assessment (Z) | 0.835 | 0.807 | 0.767 | 0.841 | 0.787 |
| Employee Performance (Y) | 0.750 | 0.743 | 0.746 | 0.787 | 0.789 |

Source: Processed by the researcher (2025)

Based on Table 3, it can be observed that the square root of the AVE (Fornell–Larcker value) for each construct is higher than its correlation with other constructs. For instance, the Fornell–Larcker value of competence with itself (0.842) is higher than its correlations with other variables, indicating adequate discriminant validity.

Convergent Validity Test

Individual indicators with correlation values above 0.7 are considered reliable, (Ghozali, 2021:68). However, in scale development studies, loading factor values between 0.5 and 0.6 are still acceptable Ghozali, (2021:68) Convergent validity is achieved when each construct has an AVE value greater than 0.5. The results of the convergent validity test are presented in Table 4.

Table 4. Convergent Validity Test Results Using Average Variance Extracted (AVE)

| Variable | AVE | Description |
|-----------------------------|-------|--------------------|
| Competence (X1) | 0.708 | $\geq 0,5$ (Layak) |
| Intrinsic Motivation (X2) | 0.684 | $\geq 0,5$ (Layak) |
| Organizational Culture (X3) | 0.693 | $\geq 0,5$ (Layak) |
| KPI Assessment (Z) | 0.707 | $\geq 0,5$ (Layak) |
| Employee Performance (Y) | 0.610 | $\geq 0,5$ (Layak) |

Source: Processed by the researcher (2025)

Table 4 indicates that all AVE values are ≥ 0.5 . Therefore, all five variables in this study have satisfied the convergent validity criteria. Based on the results of the internal consistency reliability and convergent validity tests, it can be concluded that the research data have successfully passed the outer model evaluation.

Multicollinearity Test

The multicollinearity test was conducted using the Variance Inflation Factor (VIF), where the VIF value must be ≤ 5 and the tolerance value must be ≥ 0.1 . The results are presented in Table 5.

Table 5. Multicollinearity Test Using Inner VIF Values

| | Competence (X1) | Intrinsic Motivation (X2) | Organizational Culture (X3) | KPI Assessment (Z) | Employee Performance (Y) |
|-------------------------|-----------------|---------------------------|-----------------------------|--------------------|--------------------------|
| <i>Full collin. VIF</i> | 4.186 | 3.864 | 2.933 | 4.860 | 3.254 |

Source: Processed research data (2025)

Based on Table 5, the VIF values for Competence (4.186), Intrinsic Motivation (3.864), Organizational Culture (2.933), KPI Assessment (4.860), and Employee Performance (3.254) are all below 5. Therefore, it can be concluded that there is no correlation among two or more of these variables, indicating that multicollinearity does not occur in this model.

Inner Model Test Results Using WrapPLS

According to Ayatulloh Michael Musyaffi, Hera Khairunnisa (2022:12) testing the structural model aims to identify and examine the relationships between exogenous and endogenous variables in a study.

Model Fit Test

The model fit test aims to assess the extent to which the research model used is appropriate for the analyzed data. The results of the model fit test using WrapPLS are presented in Table 6.

Table 6. Goodness of Fit (GoF): Rule of Thumb

| | INDEKS | P-VALUE | RULE OF THUMB | OF |
|---------------------------------------|--------|---------|---|-------------|
| Average path coefficient (APC) | 0.269 | <0.001 | P<0.05 | Significant |
| Average R-squared (ARS) | 0.743 | <0.001 | P<0.05 | Significant |
| Average block VIF (AVIF) | 3.624 | | Acc if <5 Ideal <3.3 | Good |
| Average full collinearity VIF (AFVIF) | 3.819 | | Acc if <5 Ideal <3.3 | Good |
| Tenenhaus GoF (GoF) | 0.711 | | Small >0.1 Medium >0.25 Large >0.36 | Strong |

Source: Processed research data (2025)

Based on Table 6, the interpretations are as follows:

1. Average Path Coefficient (APC) measures the average direct effect of exogenous variables on endogenous variables in the model. The APC value of 0.269 with a p-value < 0.001 indicates a significant result (p < 0.05),

meaning that the relationships among variables in the model are acceptable and contribute meaningfully to the model.

2. Average R-Squared (ARS) represents the average variance of endogenous variables explained by exogenous variables in the model. The ARS

value of 0.743 with a p-value < 0.001 indicates a significant result, demonstrating that the independent variables are able to explain the variability of the dependent variables quite well. An ARS value of 0.743 means that 74.3% of the variance in the dependent variables can be explained by the independent variables, indicating a strong model.

3. AVIF is used to measure multicollinearity among variables in the model. The AVIF value of 3.624 (acceptable if < 5, ideal if < 3.3) indicates that the model is still acceptable. Lower AVIF values indicate a better model, as they reflect the absence of excessive correlation among independent variables.
4. AFVIF measures overall multicollinearity in the model, including both exogenous and

endogenous variables. The AFVIF value of 3.819 (acceptable if < 5, ideal if < 3.3) indicates that the model is considered good, although it exceeds the ideal threshold of 3.3.

5. GoF measures the overall quality of the model based on a combination of R² and AVIF. The GoF value of 0.711 exceeds 0.36, categorizing the model as strong, which indicates that the research model has very good predictive capability.

R-Square

According to Ghozali (2016:95), an R-square value of 0.67 is categorized as strong, 0.33 as moderate, and 0.19 as weak. The coefficient of determination (R-Square) values are presented in Table 7.

Table 7. R-Square Test Results

| Variabel | R Square | Kesimpulan |
|----------|----------|-----------------------|
| KK (Y) | 0.698 | Kekuatan Model “kuat” |
| KPI (Z) | 0.789 | Kekuatan Model “kuat” |

Source: Processed research data (2025)

The explanations of Table 7 are as follows:

1. The R-square value for Employee Performance is 0.698 or 69.8%. This indicates that Competence, Intrinsic Motivation, Organizational Culture, and KPI Assessment contribute 69.8% to Employee Performance, while the remaining 30.2% is explained by other variables not examined in this study.
2. The R-square value for KPI Assessment is 0.789 or 78.9%. This indicates that Competence, Intrinsic Motivation, and Organizational

Culture contribute 78.9% to KPI Assessment, while the remaining 21.1% is explained by other variables outside this study.

Q-Square

A Q² value greater than zero indicates predictive relevance for a particular endogenous construct, whereas a Q² value less than zero indicates that the model lacks predictive relevance (Ghozali, Iman, 2020:87). The Q-Square test results are presented in Table 8.

Table 8. Q-Square Test Results

| Variable | Q Square |
|----------|----------|
|----------|----------|

| | |
|---------|-------|
| KK (Y) | 0.698 |
| KPI (Z) | 0.790 |

Source: Processed research data (2025)

Based on Table 8, the Q-Square test results show that:

1. The Q-square value for KPI Assessment is greater than zero (0.790), indicating that the independent variables Competence, Intrinsic Motivation, and Organizational Culture are able to predict KPI Assessment as the dependent variable.
2. The Q-square value for Employee Performance is greater than zero (0.698), indicating that the independent variables competence,

Intrinsic Motivation, Organizational Culture, and KPI Assessment are able to predict Employee Performance as the dependent variable.

Path Coefficient

The results of the path coefficient analysis provide information regarding the significance of the relationships among latent variables in the research model. Based on the data processing results, the research path coefficient model used for hypothesis testing is presented in Figure 2.

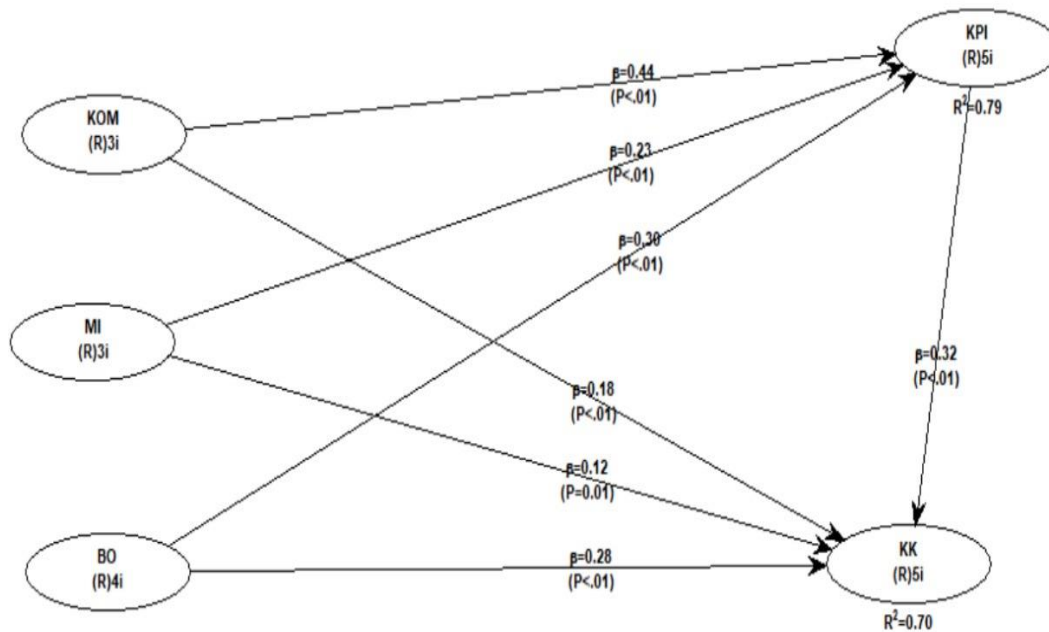


Figure 2. Path Diagram of WrapPLS Test Results
Source: WrapPLS version 7.0

The influence of each latent construct is presented in the following table:

Table 9. Path Coefficients of Direct Effects Among Variables

| Direct Effect Model | Path Coefficient | P Values |
|--|-------------------------|-----------------|
| Competence (X1) → Employee Performance (Y) | 0,185 | <0,001 |
| Competence (X1) → KPI Assessment (Z) | 0,442 | <0,001 |
| Intrinsic Motivation (X2) → Employee Performance (Y) | 0,123 | 0,0013 |
| Intrinsic Motivation (X2) → KPI Assessment (Z) | 0,232 | <0,001 |
| Organizational Culture (X3) → Employee Performance (Y) | 0,281 | <0,001 |
| Organizational Culture (X3) → KPI Assessment (Z) | 0,296 | <0,001 |
| KPI Assessment (Z) → Employee Performance (Y) | 0,322 | <0,001 |

Source: Processed research data (2025)

Based on Table 9, which presents the path coefficients of the direct effects among variables, the following interpretations can be drawn:

1. The effect of Competence (X1) on Employee Performance (Y) is significant, as indicated by a p-value of < 0.001 ($p < 0.05$).
2. The effect of Competence (X1) on KPI Assessment (Z) is significant, as indicated by a p-value of < 0.001 ($p < 0.05$).
3. The effect of Intrinsic Motivation (X2) on Employee Performance (Y) is significant, as indicated by a p-value of 0.0013 ($p < 0.05$).
4. The effect of Intrinsic Motivation (X2) on KPI Assessment (Z) is significant, as indicated by a p-value of < 0.001 ($p < 0.05$).
5. The effect of Organizational Culture (X3) on Employee Performance (Y) is significant, as indicated by a p-value of < 0.001 ($p < 0.05$).
6. The effect of Organizational Culture (X3) on KPI Assessment (Z) is significant, as indicated by a p-value of < 0.001 ($p < 0.05$).
7. The effect of KPI Assessment (Z) on Employee Performance (Y) is significant, as indicated by a p-value of < 0.001 ($p < 0.05$).

Mediation Model Test

The following are the results of the Indirect Effect test using the Variance Accounted For (VAF) method, as presented in Table 9.

Table 9. Indirect Effect Test Results Using the VAF Method

| Relationship | Direct Effect | Indirect Effect | Total Effect | VAF Value |
|---|----------------------|------------------------|---------------------|---|
| Competence indirectly affects Employee Performance through KPI Assessment | 0,185 | 0,142 | 0,327 | VAF= $0,142/0,327 \times 100\% = 43,42\%$ |
| Intrinsic Motivation indirectly affects Employee Performance through KPI Assessment | 0,123 | 0,075 | 0,198 | VAF= $0,075/0,198 \times 100\% = 37,88\%$ |
| Organizational Culture indirectly affects Employee Performance through KPI Assessment | 0,281 | 0,095 | 0,376 | VAF= $0,095/0,376 \times 100\% = 25,27\%$ |

Source: Processed research data (2025)

Based on Table 9, which presents the results of the indirect effect test using the VAF method, the following interpretations can be made:

1. The VAF value of 43.42% falls within the range of 20% to 80%, indicating partial mediation. Thus, KPI assessment is proven to partially mediate the effect of competence on employee performance.
2. The VAF value of 37.88% falls within the range of 20% to 80%, indicating partial mediation. Thus, KPI assessment is proven to partially mediate the effect of intrinsic motivation on employee performance.
3. The VAF value of 25.27% falls within the range of 20% to 80%, indicating partial mediation. Thus, KPI assessment is proven to partially mediate the effect of organizational culture on employee performance.

Hypothesis Testing Results

The hypothesis testing results are used to determine whether the hypotheses proposed in the previous chapter are accepted or rejected. The results of the hypothesis testing are presented in Table 10.

Table 10. Research Hypothesis Testing Results

| Research Hypothesis | Path Coefficient | P-values | Hypothesis Test Result | Conclusion |
|--|------------------|------------------------------------|------------------------|---------------------------------|
| H1: Competence has a direct positive effect on Key Performance Indicator (KPI) assessment. | 0,442 | $p < \alpha$ (0.001) (< 0.05) | Hypothesis 1 accepted | Positive and significant effect |
| H2: Intrinsic motivation has a direct positive effect on Key Performance Indicator (KPI) assessment. | 0,232 | $p < \alpha$ (0.001) (< 0.05) | Hypothesis 2 accepted | Positive and significant effect |
| H3: Organizational culture has a direct positive effect on Key Performance Indicator (KPI) assessment. | 0,296 | $p < \alpha$ (0.001) (< 0.05) | Hypothesis 3 accepted | Positive and significant effect |
| H4: Competence has a direct positive effect on employee performance. | 0,185 | $p < \alpha$ (0.001) (< 0.05) | Hypothesis 4 accepted | Positive and significant effect |
| H5: Intrinsic motivation has a direct positive effect on employee performance. | 0,123 | $p < \alpha$ (0.0013) (< 0.05) | Hypothesis 5 accepted | Positive and significant effect |
| H6: Organizational culture has a direct positive effect on employee performance. | 0,281 | $p < \alpha$ (0.001) (< 0.05) | Hypothesis 6 accepted | Positive and significant effect |
| H7: Competence has an indirect positive effect on employee performance through Key | 0,142 | $p < \alpha$ (0.001) (< 0.05) | Hypothesis 7 accepted | Positive and significant effect |

| | | | | |
|--|-------|-------------------------------|------------------------|---------------------------------|
| Performance Indicator (KPI) assessment. | | | | |
| H8: Intrinsic motivation has an indirect positive effect on employee performance through Key Performance Indicator (KPI) assessment. | 0,075 | $p (0.029) < \alpha (0.05)$ | Hypothesis 8 accepted | Positive and significant effect |
| H9: Organizational culture has an indirect positive effect on employee performance through Key Performance Indicator (KPI) assessment. | 0,095 | $p (0.008) < \alpha (0.05)$ | Hypothesis 9 accepted | Positive and significant effect |
| H10: Key Performance Indicator (KPI) assessment has a direct positive effect on employee performance. | 0,322 | $p (< 0.001) < \alpha (0.05)$ | Hypothesis 10 accepted | Positive and significant effect |

Source: Processed research data (2025)

Discussion

The Effect of Competence on KPI Assessment

Employee competence has a positive and significant effect on KPI assessment at Universitas Nasional, indicating that higher levels of competence are associated with better KPI achievement (Siska Pristiningsih, 2015). Employees with strong skills, knowledge, and work attitudes tend to be more productive and efficient, enabling them to achieve higher KPI targets. Competence therefore constitutes a key factor in improving KPI outcomes.

The Effect of Intrinsic Motivation on KPI Assessment

Intrinsic motivation has a positive and significant effect on KPI achievement, demonstrating a direct relationship between internal motivation and KPI performance (Nur Ida Iriani, 2010; Lamato & Rahman, 2022). Employees with high intrinsic motivation show stronger commitment and better performance. Accordingly, Universitas Nasional needs to maintain and enhance intrinsic motivation through

appropriate human resource management practices.

The Effect of Organizational Culture on KPI Assessment

A positive organizational culture significantly influences employee KPI performance, confirming that the work environment, organizational values, and norms play a crucial role in determining performance outcomes (Khoirunnisaa & Angela, 2024). Effective KPI implementation supported by a strong organizational culture can substantially improve performance.

The Effect of Competence on Employee Performance

Competence has a positive and significant effect on employee performance (K. D. Krisnawati, 2021). Competent employees tend to be more productive, efficient, and adaptable. Therefore, Universitas Nasional should continuously develop training, education, and human resource development programs to enhance both hard skills and soft skills, as improved competence directly affects task quality and organizational productivity.

The Effect of Intrinsic Motivation on Employee Performance

Intrinsic motivation positively and significantly affects employee performance (Potu et al., 2021). Employees driven by internal motivation are more proactive, innovative, and responsible. Universitas Nasional can improve employee performance by implementing strategies that support self-development, non-material rewards, and a work environment that fosters intrinsic motivation.

The Effect of Organizational Culture on Employee Performance

Organizational culture has a positive and significant effect on the performance of employees at Universitas Nasional. The stronger and more positive the organizational culture, the higher the employee performance, as a supportive work environment enhances motivation, discipline, and productivity (Agustin Pratiwi et al., 2024; Sugiono et al., 2022; Bahdin Nur Tanjung, 2024).

The Effect of Competence on Employee Performance through KPI Assessment (Mediation)

Competence has a positive and significant indirect effect on employee performance through KPI assessment as a mediating variable. Competent employees tend to achieve higher KPI scores, which in turn lead to improved performance (Osi Yunas Tari & Senen Mustakim, 2022; Rivai, 2015). KPI assessment thus serves as a linking mechanism between competence and performance.

The Effect of Intrinsic Motivation on Employee Performance through KPI Assessment (Mediation)

Intrinsic motivation indirectly has a positive and significant effect on employee performance through KPI

assessment. Employees with high intrinsic motivation strive to achieve better KPI results, which subsequently enhance overall performance (Potu et al., 2021; Flippo, 2011). KPI assessment measures indicators such as quality, quantity, resilience, and work attitudes as dimensions of performance.

The Effect of Organizational Culture on Employee Performance through KPI Assessment (Mediation)

Organizational culture indirectly has a positive and significant effect on employee performance through KPI assessment. A positive work environment encourages higher KPI achievement, thereby improving employee performance. Aligning organizational culture with the KPI system and supportive leadership further strengthens performance effectiveness (Ade Sabda Gumelar et al., 2022; Sholichatin, 2021).

The Effect of KPI Assessment on Employee Performance

KPI assessment has a positive and significant effect on employee performance at Universitas Nasional. Higher KPI scores are associated with better performance, as KPI functions as an effective evaluation tool and a driver of productivity, discipline, and work quality improvement (M. Zaki Dama et al., 2022). Relevant and transparent KPI systems reflect optimal employee performance.

CONCLUSION

The research findings on employees at Universitas Nasional can be summarized as follows:

1. Competence has a positive and significant effect on KPI assessment. This indicates that employees who possess strong skills, knowledge, and work attitudes tend to be more

- productive, efficient, and capable of achieving the targets set in the KPI.
2. Intrinsic motivation has a positive and significant effect on KPI assessment. The higher the internal motivation of employees at Universitas Nasional, the higher their KPI scores.
 3. Organizational culture has a positive and significant effect on KPI assessment. This suggests that a stronger and more positive work culture leads to higher levels of KPI achievement among employees.
 4. Competence has a positive and significant effect on employee performance. This means that higher levels of employee competence are associated with better performance outcomes.
 5. Intrinsic motivation has a positive and significant effect on employee performance. This indicates that higher intrinsic motivation contributes to improved employee performance.
 6. The better the organizational culture implemented within the institution, the higher the results of employee performance evaluations. Organizational culture is a crucial factor influencing employee performance outcomes.
 7. Employees with higher levels of competence tend to achieve better KPI results, and improved KPI achievement subsequently enhances employee performance.
 8. Intrinsic motivation has a positive and significant effect on employee performance through KPI. This demonstrates that higher employee motivation leads to higher KPI achievement, which ultimately improves overall performance.
 9. Organizational culture has a positive and significant effect on employee performance through KPI. This

indicates that a more effective organizational culture increases KPI achievement, which in turn enhances employee performance.

10. KPI assessment has a positive and significant effect on employee performance. This means that higher KPI scores are associated with higher levels of employee performance.

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