

The Effects of Organizational Commitment, Competency, and Reward on Employee Performance: Lessons from Indonesia Local Government

Novalina Erari

Faculty of Economics, Universitas Terbuka, Indonesia

Abstract : *This research aimed to analyze the effects of organizational commitment, competency, and reward on employee performance. The population of this research was local public officers in the Yapen Islands Regency. A probability sampling technique was used to analyze the recruited-185 respondents. The research instrument used was a questionnaire with a five-point Likert scale. The statistical program SPSS was employed in data analysis. The analysis methods used included descriptive analysis, validity and reliability tests, classical assumption test, and regression analysis. The results show that the variables competency and reward had significant positive effects on employee performance, while the variable organizational commitment did not have any effect on employee performance.*

Keywords - *organizational commitment, competency, reward, employee performance, Yapen Islands*

I. Introduction

Budgeting is vital in a local government environment, given that budget affects a government's accountability in providing services to the public. A budgeting process involves budgeting methods whereby the management aligns the costs incurred for an activity with the benefits generated (BPKP, 2005). The described-benefits are a set of objectives that are expressed in the performance targets of every work unit (Iqsan, 2016).

As a prerequisite for budgeting implementation, financial and budgeting reform is needed to reorientate budget allocation more toward public interests (Indrawati, 2012). However, the financial and budgeting reform that is performed poses a challenge to the budgeting process in local government agencies (OPD), including those in the Yapen Islands Regency. The Yapen Islands Regency Government itself was required to make, and currently has completed, an adjustment of the local budget (APBD) structure on a gradual basis to the prevailing regulation. In this case, the Government Regulation No. 58 of 2005 on Local Financial Management.

Budgeting is deemed necessary as it brings consequences for which preparation should be conducted as a factor that spurs budget utilization success. For this purpose, excellent performance is a must for the local government agencies in the Yapen Islands Regency. According to Rahman *et al.* (2015), employee performance is the qualitative and quantitative work achievement expected of an employee.

Increased employee performance will be helpful for an organization to achieve its goals. According to Venkatraman and Ramanujam (1986), employee performance is one of the organizational capacity indicators necessary for the efficient achievement of an organization's goals. The researchers realized the importance of excellent employee performance to budgeting. Existing empirical evidence shows that low employee performance is influenced by several factors (Dajani, 2015). As pointed out by Makawi *et al.* (2015) and Suharto *et al.* (2019), these factors include organizational commitment, competency, and reward.

Organizational commitment is considered one factor in the improvement of employee performance (Arch *et al.*, 2012). It is one's sense of dedication toward the organization that hires him/her, his/her willingness to work hard for the organization, and his/her intention to remain with the organization (Meyer & Allen, 1984). It is built upon his/her beliefs in the organization's values, willingness to put the organization's goals into reality, and loyalty to maintain his/her membership. It holds a critical role in improving employee performance. As stated by Susanty & Miradipta (2013), some experts hold that one's commitment to an organization is the force behind his/her involvement with the organization.

It is also essential to pay attention to, aside from organizational commitment, human resource competency. In the face of budgeting system changes, the issue of human resource competency becomes of much importance. As mentioned by Makawi *et al.* (2015), competency is one element involved in performance improvement. Competency is capable of deepening and broadening work capacity. The more often one conducts the same work, the more skilled and swifter he/she would be in completing the work with every performance (Kartika & Sugiarto, 2014). The more work one conducts, the more affluent and vaster his/her work experience would be, and the more likely it will be for him/her to have improved performance (Uppal *et al.*, 2014).

The competency possessed by the human resources in the Yapen Islands Regency, especially those assigned with budgeting, has yet to reach the targetted level. This fact can be seen from their skills, knowledge, the training they participated in, and their abilities, which did not go too far beyond the standard threshold. Continuous improvement is needed for the human resources to prepare them to deal with changes, especially in the budgeting process, in order to increase the performance of government institutions. Competency fostering in the budgeting field can also be conducted efficiently, effectively, and in a coordinated way under one roof.

Some scholars argue that success for every organization relies not only on the quality of the human resources available to the organization (Ngwa *et al.*, 2019; Fay & Thompson, 2001). It also relies on extracting an optimal outcome out of an employee. According to Ngwa *et al.* (2019), the management needs to develop a rewarding system capable of generating a positive consequence upon the contribution toward performance achievement desired by an employee. The rewarding system has a central role in deciding the organization's ability to attract high potential employees and to retain highly competent employees for higher levels of quality and performance (Fay & Thompson, 2001).

Previous research works on the effects of organizational commitment, human resource competency, and reward on employee performance indicate varying research findings between one researcher and another. This phenomenon is often termed a research gap. Respatiningsih and Sudirjo (2016), in their research, showed that the variable organizational commitment had a significant positive effect on employee performance, while Arizona *et al.* (2013) stated organizational commitment did not have any effect. Makawi *et al.* (2015) said the variable competency had a significant positive effect on employee performance, unlike Supriyanto (2012), who said that competency did not have any partial effect on employee performance. Ernur *et al.* (2017), in their research, concluded that reward had a significant positive effect on employee performance, while Kentjana and Nainggolan (2018) stated reward had an insignificant effect on employee performance. Some factors were triggering this research: [1]the problems in the budgeting processes that took place in the local government agencies in the Yapen Islands Regency, [2] the existent financial and budgeting system reform, and [3] the existing research gap concerning factors that influence employee performance in budgeting. The researchers found it of interest to investigate the roles of organization commitment, competency, and reward in influencing the performance of local public officers in the Yapen Islands Regency. This research aimed to study and analyze the effects of organizational commitment, competency, and reward on employee performance in budgeting the Yapen Islands Regency.

II. Literature Review And Hypotheses Development

2.1 Performance

Good employee performance is considered helpful to an organization in achieving its goals. By Rahman *et al.* (2015), employee performance is defined as the qualitative and quantitative work achievement expected of an employee. Indeed, differences exist between employees. Every employee may be influenced by different aspects at the workplace (Zahargier & Balasundaram, 2011).

Employees skilled at communication certainly are placed in different positions from those who are skilled at equipment supervision and thus are not required to socialize with other employees (Yean and Yusof, 2016). Such a difference can be evaluated in a variety of ways to help employees improve their performance. As maintained by Aboazoum *et al.* (2015), a combination of attitudes, perceptions, and behaviors in an organization makes up a powerful force when mixed appropriately in correspondence with the organization's goals. Another combination made up of organizational commitment, competency, and reward was proved to influence employee performance (Makawi *et al.*, 2015; Suharto *et al.*, 2019).

2.2 Organizational Commitment

Many authors have defined the concept of organizational commitment in various ways and offered various findings (Arch *et al.*, 2012; Demirer *et al.*, 2010). Organizational commitment is considered one of the pivotal factors in the improvement of employee performance. According to Meyer and Allen (1984), organizational commitment is one's sense of dedication toward the organization that hires him/her, his/her willingness to work hard for the organization, and his/her intention to remain with the organization. In other words, a sense of dedication, willingness, and intention to work in an organization can improve employee performance.

Some experts regard the organization's commitment as the power of involvement with the organization (Susanty & Miradipta, 2013). The research by Sharma and Bajpai (2010) found that a higher effort that is put by an employee with a higher organizational commitment will generate higher levels of performance and effectiveness both on individual and organizational levels. Besides, the research by Ahmad *et al.* (2014), Ariyanto *et al.* (2019), Musabah and Mohamad (2017), and Pranita (2018) found a significant positive relationship between organizational commitment and employee performance. Therefore, referring to previous empirical findings, the first hypothesis to be proposed is as follows:

H1: Organizational commitment has a significant positive effect on employee performance in budgeting in local government agencies in the Yapen Islands Regency.

2.3 Competency

Employee improvement involves a wide range of things, one of which is competency (Makawi *et al.*, 2015). According to Heriyanto *et al.* (2018), competency refers to knowledge, skills, abilities, or anything else related to high performance at work, such as problem-solving, analytical thinking, or leadership. Put otherwise, if an employee has the things abovementioned, he/she will be able to improve his/her performance to arrive at a goal. Employee placement in a position that is appropriate to his/her competency also serves as a determinant factor in improving performance (Rantesalu *et al.*, 2017).

As posited by Sabuhari *et al.* (2020), an employee must have a high level of competency to respond to changes in the environment to affect his/her performance improvement. The higher the employee competency level is, the higher the organizational performance is, and vice versa (Suharno and Despinur, 2017). There are some prior studies of Aima *et al.* (2017), Hartati (2020), Rantesalu *et al.* (2017), and Sujati *et al.* (2017) supporting that statement. Therefore, referring to previous empirical findings, the second hypothesis to be proposed is as follows:

H2: Competency has a significant positive effect on employee performance in budgeting in local government agencies in the Yapen Islands Regency.

2.4 Reward

Reward system has a significant role in determining an organization's ability to attract high potential employees and to retain employees of high performance to achieve higher quality and performance levels (Fay & Thompson, 2001). Rewarding is no doubt done in the hope that employees would continuously improve their performance. According to Chijioke and Chinedu (2015), an employee reward system refers to a discrete organization program to reward performance and motivate employees on an individual and collective level.

Organizations grow more aware that they must build a fair balance between employee contribution to the organization and organization contribute to the employee (Pratheepkanth, 2011). Ngwa *et al.* (2019) added that it is essential for the management to build a reward system that will positively impact the contribution toward performance achievement desired by an employee. This finding is in line with the research by Fatah *et al.* (2019), Mesepu (2016), Ndungu (2017), and Salah (2016), which found a significant positive relationship between rewarding and employee performance. Reward system can attract the right employees, retain them, and continuously motivate them to generate the performance desired (Podsakoff & Mackenzie, 2009). Therefore, referring to previous empirical findings, the third hypothesis to be proposed is as follows:

H3: Reward has a significant positive effect on employee performance in budgeting in local government agencies the Yapen Islands Regency.

The three hypotheses proposed are then summarized in the following research model (Figure 1).

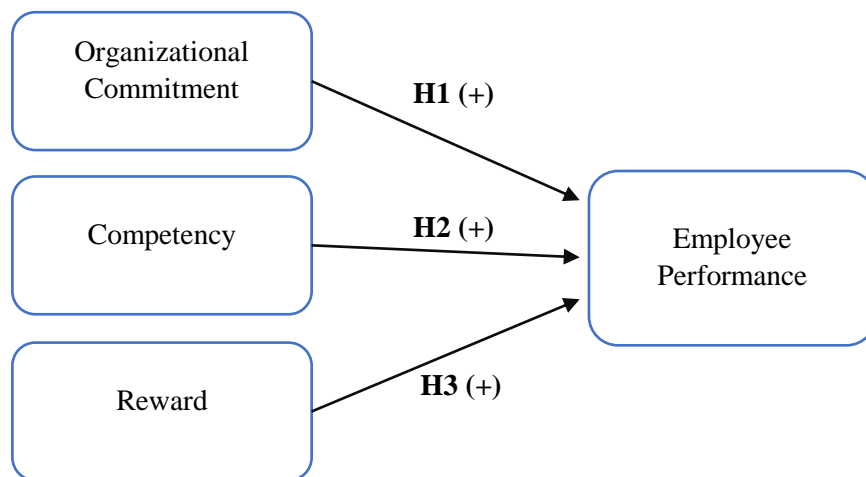


Figure 1. Research Model

III. Research Methods

This research used quantitative research methods with objective approaches, including data collection and analysis with statistical testing methods. The population in this research was local public officers who were involved in budgeting in every local government agency in the Yapen Islands Regency, totaling 1,302 people.

A purposive sampling technique was used to determine the sample, which consisted of 185 respondents. The research instrument used was a questionnaire with a five-point Likert scale: 1-strongly disagree, 2-disagree, 3-somewhat agree, 4-agree, and 5-strongly agree. The statistical program SPSS was used to analyze data. The analysis methods used included descriptive analysis, validity and reliability tests, classical assumption test, and regression analysis used to figure out the effects of the independent variables organizational commitment, competency, and reward on the dependent variable employee performance.

IV. Findings And Discussion

The respondents in this research numbered 185, all of whom were local public officers involved in the budgeting process of the local government agency in the Yapen Islands Regency. The respondents' characteristics in this research were as follows:

Table 1: Respondents' Characteristics Description

Categories	Answer Alternatives	Number of Respondents	Percentages (%)
Gender	Male	140	75.53%
	Female	45	24.47%
Age	20–30 Years Old		0%
	31–40 Years Old	15	7.91%
	Above 40 Years Old	170	92.09%

	High School	5	2.88%
	College	12	6.47%
Latest Education Level	Undergraduate	136	73.38%
	Master Degree	32	17.27%
	Doctoral Degree	-	
Rank/Class	Class II	-	0%
	Class III	20	10.67%
	Class IV	165	79.33%
Position	Staff	5	2.16%
	Eschelon IV	54	29.50%
	Eschelon III	98	53.24%
	Eschelon II	28	15.11%

The data in Table 1 show that the majority of the respondents were male (75.53%), aged above 40 years old (92.09%), and in possession of a Bachelor's degree as the highest education level (73.38%). Most of the respondents were in class IV (79.33%) and the echelon III position (53.24%).

Afterward, to describe the conditions and characteristics of the answers of the respondents, a descriptive analysis was conducted. The results were used to figure out the trend of the respondents' answers for each variable studied. The variable commitment was comprised of three indicators, while the variables competency, reward, and performance each had six indicators.

The respondents' answers were categorized using an interval of 0.80, which was calculated by dividing by five the deduction of the minimum score from the maximum score. With an interval of 0.80, the categorization system was as follows: 1.00–1.80 (very low); 1.81–2.60 (low); 2.61–3.40 (fair); 3.41–4.20 (high); and 4.21–5.00 (very high) (Sugiyono, 2013).

Table 2. Respondents' Opinions Distribution

Items	Opinion Alternatives					Total	Means	Categories	
	SD	D	F	A	SA				
	1	2	3	4	5				
X1.1	Involvement in an emotional bond	2	36	57	67	23	185	3.39	Low
X1.2	Willing to stay and sacrifice for the organization	7	33	38	78	29	185	3.48	Low
X1.3	Displaying maximum exertion	3	48	42	67	25	185	3.34	Low
Mean								3.41	Fair
X2.1	In possession of knowledge	7	36	60	68	14	185	3.25	Low
X2.2	In possession of understanding	12	35	58	59	11	185	3.17	Low
X2.3	In possession of skills	4	27	84	68	2	185	3.20	Low

X2.4	Showing behavioural values and standards	5	9	82	87	2	185	3.39	Low
X2.5	Showing an attitude toward and pleasure with salary	0	0	93	66	26	185	3.64	Fair
X2.6	Strongly task-interested	4	4	78	72	27	185	3.62	Fair
Mean								3.38	Low
X3.1	Given wage	6	20	79	80	0	185	3.26	Low
X3.2	Paid with fixed salary	0	6	114	55	10	185	3.37	Low
X3.3	Given bonus	2	21	88	55	19	185	3.37	Low
X3.4	Given extra benefits	1	42	66	68	8	185	3.22	Low
X3.5	Given reward	1	12	85	82	4	185	3.35	Low
X3.6	Given the opportunity to be promoted in position	32	12	85	82	4	185	3.40	Low
Mean								3.33	Low
Y.1	Results meeting the expectation	5	40	65	55	20	185	3.24	Low
Y.2	Quantity of work completed	4	36	76	56	13	185	3.21	Low
Y.3	Timely work completion	9	21	58	88	9	185	3.36	Low
Y.4	Maximal employment of human resources to increase profits	7	42	74	62	0	185	3.03	Low
Y.5	Able to work independently	3	5	102	65	10	185	3.40	Low
Y.6	Committed to work	0	18	72	82	13	185	3.49	Fair
Mean								3.29	Low

Note: SD = Strongly Disagree; D = Disagree; F = Somewhat Agree; A = Agree; SA = Strongly Agree; X1 = Organizational Commitment; X2 = Competency; X3 = Reward; Y = Employee Performance.

The mean scores yielded were 3.41, 3.38, 3.33, and 3.29, respectively, all of which belonged to the fair and low categories. Based on these distribution data, the organizational commitment, competency, and reward of the local public officers in the Yapen Islands Regency were still lacking and needed improvement for them to have more potent effects on employee performance.

Table 3: The Results of Validity and Reliability Tests

Item	R Cal	Cronbach's Alpha
X1.1	0.764	0.620
X1.2	0.790	
X1.3	0.710	
X2.1	0.782	0.626
X2.2	0.691	
X2.3	0.644	
X2.4	0.509	
X2.5	0.388	
X2.6	0.455	
X3.1	0.641	0.687
X3.2	0.673	
X3.3	0.656	
X3.4	0.642	
X3.5	0.639	
X3.6	0.519	
Y.1	0.451	0.613
Y.2	0.721	
Y.3	0.712	
Y.4	0.778	
Y.5	0.464	
Y.6	0.361	

The researchers then conducted a validity test to examine the validity of the questionnaire statements/questions. The measurement instrument used was the product-moment formula regarding the r-statistics. Based on the validity test results, all the statements had r-statistics values more significant than the r-table 0.1435. Thus, it can be said that all the statements were valid. Additionally, a reliability test was also conducted based on Cronbach's alpha. The results show that all the variables had Cronbach's alpha values greater than 0.6. Hence, all the variables were declared reliable.

Table 4: The Results of Classical Regression Assumption Tests

Normality Test		Multicollinearity Test		Heteroscedasticity Test		
<i>Kolmogorov Smirnov</i>	Asymp. Sig	Variable	<i>Tolerance</i>	VIF	Sig Value	Sig Limit
1.142	0.064	X1	0.934	1.071	0.709	0.05
		X2	0.728	1.374	0.592	0.05
		X3	0.710	1.408	0.489	0.05

Then, the researchers conducted a classical regression assumption test to determine whether their data are normality, multicollinearity, and heteroscedasticity or not. A normality test was used to find out whether the data were from a normally distributed population or not. It was conducted using the Kolmogorov Smirnov test. The result shows that the Asymp. Sig value obtained was 0.064, more significant than 0.05. Therefore, the data were declared normally distributed.

The researchers used the multicollinearity test to examine whether the correlation between independent variables existed in the regression model or not. The results show that all the independent variables had tolerance values greater than 0.1 and VIF values less than 10. Therefore, it can be said that no multicollinearity occurred in each independent variable.

A heteroscedasticity test was conducted to figure out whether a datum had consistent variance across observations. The regression model constructed was supposed to yield data with invariable variance (homoscedasticity). The heteroscedasticity test was conducted with the Glejser test. From the results, it was found that the sig.-values of the three independent variables were more than 0.05. Therefore, it can be said that no heteroscedasticity issue occurred in the regression model.

Table 5: The Results of Multiple Regression Analysis and Hypotheses Testing

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	7.834	1.656		4.730	.000
Commitment Organization	.096	.087	.074	1.094	.275
Competency	.218	.077	.215	2.811	.005
Reward	.326	.083	.304	3.918	.000
<i>Adjusted R Square</i>	0,229				

a. Dependent Variable: Employee Performance

After the data were all declared valid, reliable, and meeting the classical regression assumptions, a multiple linear regression test was then conducted. By using the data in Table 5, the following general multiple linear regression equation was derived:

$$Y = 7.834 + 0.096X1 + 0.218X2 + 0.326X3 + \epsilon$$

The equation above can be interpreted as follows:

1. The constant (α) = 7.834, meaning that if organizational commitment (X1), competency (X2), and reward (X3) were constant, the variable employee performance (Y) would have a value of 12.446 units. In other words, in the absence of independent variables (X1, X2, and X3), the value of employee performance (Y) would be constant at 12.446 units.
2. The coefficient of competency ($\beta1X1$) = 0.096, meaning that with an increase of one unit of employee's competency, the employee's performance would increase by 0.096 unit, assuming that compensation and work motivation were constant.
3. The coefficient of compensation ($\beta2X2$) = 0.218, meaning that with an increase of one unit of employee's compensation, the employee performance (Y) would increase by 0.218 unit, assuming that competency (X1) and work motivation (X3) were constant.
4. The coefficient of work motivation ($\beta3X3$) = 0.326, meaning that with an increase of one unit of employee's work motivation, the employee performance (Y) would increase by 0.255 unit, assuming that competency (X1) and compensation (X2) were constant.
5. The standardized beta coefficient of the variable reward was 0.304, higher than the values of other independent variables. This finding shows that the variable reward had the most significant contribution to employee performance in local government agencies.

The researchers then conducted t-tests to figure out the partial effects of organizational commitment, competency, and reward on employee performance of local government agencies in the Yapen Islands Regency. The t-statistics of organizational commitment was 1.094, lower than the t-table 1.97, with a sig.-level of 0.275. This finding means that the organizational commitment did not partially affect the variable employee performance. Thus, the first hypothesis saying that organizational commitment has a significant positive effect on employee performance of local government agencies in the Yapen Islands Regency, was rejected.

This finding is different from previous works that stated organizational commitment had a significant positive effect on employee performance (Ahmad *et al.*, 2014; Ariyanto *et al.*, 2019; Bahadur & Sharma, 2016; Musabah & Mohamad, 2017; Pranita, 2018). This fact means that organizational commitment had yet to affect employee performance. However, this contrary finding is in line with the works of Eliyana *et al.* (2019) and Hidayati (2016), which found that organizational commitment did not affect employee performance. According to Benkhoff (1997), the variation in the results arose out from how commitment has been conceptualized.

The descriptive analysis of the respondents' responses related to organizational commitment yielded a low mean value. This finding means that, according to the respondents, the commitment had yet to serve a role in improving performance. The fact in the field shows that the commitment of local public officers in the Yapen

Islands Regency was, in general, still low. This finding was evident in their organizational commitment to running employee discipline that was still low. There were many employees in each local government agency that were found not to run employee discipline.

The next variable, competency, had the t-statistics value of 2.811, which was greater than the t-table of 1.97, with a sig.-level of 0.005. This finding means that competency partially had a significant positive effect on employee performance. In other words, the more excellent the competency is, the greater the employee performance would generate for the organization. Therefore, the second hypothesis saying that competency has a significant positive effect on employee performance in budgeting in the environment of local government agencies in the Yapen Islands Regency, was accepted.

This finding is in line with the research by Aima *et al.* (2017), Hartati (2020), Rantesalu *et al.* (2017), and Sujati *et al.* (2017), which stated that competency had a significant positive effect on employee performance. Abomaleh and Zahari (2014) state that, in the public sector, personnel of quality will improve the quality of public services, giving the impression that the government would continually improve the quality of its public services and allow a decent life for the community.

Lastly, the reward had the t-statistics of 3.918, which was greater than the t-table 1.97, with a sig.-level of 0.000. This finding means that the reward partially had a significant positive effect on the variable employee performance. Therefore, the third hypothesis saying that reward had a significant positive effect on employee performance in budgeting in the environment of local apparatus organizations in the Yapen Islands Regency, was accepted.

This finding is in line with previous research by Fatah *et al.* (2019), Mesep (2016), and Ndungu (2017), which stated that reward had a significant positive effect on employee performance. This finding means that the higher the reward is given, the higher the employee performance is. As stated by Pratheepkanth (2011), every organization's success relies not only on the quality of the human resources available to the organization but also on its ability to stimulate optimal output from every employee.

This finding was supported by the fact that, concerning the reward for the local public officers in the Yapen Islands Regency, extra income has generally been paid to local public officers by every local government agency. Through interviews, echelon III officers from the Local Development Planning Agency (Bappeda) and the Communications and Information Office stated that the reward in the form of cash or work facility had raised the employees' motivation to be present at the office work. For instance, the conditional income supplementation conducted by the local government had a significant positive impact on public officers' performance in the Yapen Islands Regency.

Finally, the R^2 (coefficient of determination) test was conducted to measure the ability of the organizational commitment (X1), competency (X2), and reward (X3) to explain the variation in employee performance (Y). From the test, an adjusted R-squared value of 0.229 was obtained. The interpretation for this value would be that the organizational commitment, competency, and reward could influence the employee performance of local government agencies in the Yapen Islands Regency at a rate of 22.9%. The remaining 77.1% of the influence came from other variables unexplored in this research.

V. Conclusion

This research examined the effects of organizational commitment, competency, and reward on employee performance in budgeting in the environment of local apparatus organizations in the Yapen Islands Regency. From the results of the tests conducted, the following conclusions were drawn. First, organizational commitment did not affect the employee performance of local government agencies in the Yapen Islands Regency. Second, competency had a significant positive effect on employee performance by local government agencies in the Yapen Islands Regency. The higher the competency is, the higher the employee performance is. Third, the reward had a significant positive effect on employee performance of local government agencies in the Yapen Islands Regency. The higher the reward is given, the higher the employee performance is.

These empirical findings have several critical implications for the best practice in the environment of local government agencies in the Yapen Islands Regency. It is suggested that the local government agencies in the Yapen Islands Regency should improve the employees' organizational commitment. It is also recommended to hold activities/training especially about togetherness and sense of belonging, in the local government agencies in the Yapen Islands Regency to improve their performance.

Besides, competency improvement training should also be conducted. This effort is aimed to improve the employees' competency to plan and manage their jobs effectively. Finally, the local government agencies in the Yapen Islands Regency should give side dish money sufficiently and reward employees who have successfully achieve the target decently. This strategy would be useful in encouraging the employees to improve their performance to achieve the organization's goals.

References

- [1] Aboazoum, H. M. E., Nimran, U., & Musadieg, M. Al. (2015). Analysis Factors Affecting Employees Job Performance in Libya. *IOSR Journal of Business and Management* Ver. 1, 17(7), 2319–7668. <https://doi.org/10.9790/487X-17714249>
- [2] Abomaleh, A., & Zahari, I. (2014). *The impact of management commitment to service quality and customer satisfaction : A Review of Saudi Arabia public service sector*. 3(1), 1–64.
- [3] Ahmad, N., Iqbal, N., Javed, K., & Hamad, N. (2014). Impact of Organizational Commitment and Employee Performance on the Employee Satisfaction. *International Journal of Learning, Teaching and Educational Research*, 1(1), 84–92.
- [4] Aima, H., Adam, R., & Ali, H. (2017). Model of Employee Performance: Competence Analysis and Motivation (Case Study atPT. Bank Bukopin, Tbk Center). *Quest Journals Journal of Research in Business and Management*, 4(11), 2347–3002. www.questjournals.org
- [5] Arch, M., Usman, M., Corresponding, Q., & Suffyan, M. (2012). Exploring Effects of Organizational Commitment on Employee Performance : Implications for Human Resource Strategy. *Interdisciplinary Journal of Contemporary Reserach in Business*, 3(2000), 248–255.
- [6] Ariyanto, Maatpono, & Munir, A. R. (2019). Pengaruh Budaya Organisasi, Motivasi, dan Komitmen Organisasi Terhadap Kinerja Pegawai Studi Kasus Pada Dinas Pendidikan Provinsi Sulawesi Selatan. *Hasanuddin Journal of Business Strategy (HJBS)*, 1(3), 79–87.
- [7] Arizona, D. D., Riniwati, H. H., & Harahap, N. N. (2013). Analisis Pengaruh Gaya Kepemimpinan, Motivasi Kerja Dan Komitmen Organisasional Terhadap Kinerja Pegawai (Studi Pada Dinas Kelautan Dan Perikanan Kabupaten Malang). *Jurnal Mahasiswa Agribisnis Perikanan*, 1(1), 1–11.
- [8] Bahadur, S., & Sharma, G. (2016). Effect of Bank Competition on Financial Stability: Empirical Evidence from Nepal. *Economic Literature*, 13, 19.
- [9] Benkhoff, B. (1997). Ihnoring Commitment Is Costly: New Approcahes Establish the Missing Link Between Commitment and Performance. *Human Relations*, 50(6), 1764–1766.
- [10] BPKP, 2005. Pedoman Penyusunan Anggaran Berbasis Kinerja. Jakarta: BPKP.
- [11] Chijioke, N., & Chinedu, F. (2015). Effect of Rewards on Employee Performance in Organizations : A Study of Selected Commercial Banks in Awka Metropolis. *European Journal Of Business and Management*, 7(4), 80–89.
- [12] Dajani, M. A. Z. (2015). The Impact of Employee Engagement on Job Performance and Organisational Commitment in the Egyptian Banking Sector. *Jouranal of Business and Management Sciences*, 3(5), 138–147. <https://doi.org/10.12691/jbms-3-5-1>
- [13] Demirer, H., Güres, N., & Akgül, V. (2010). Organizational Commitment and Job Satisfaction: The Influence of Individual and Organizational Factors on Sales Persons Work Attitudes in Travel Agencies. *Journal of Social Sciences Institute*, 7(14), 41–62.
- [14] Eliyana, A., Ma'arif, S., & Muzakki. (2019). Job satisfaction and organizational commitment effect in the transformational leadership towards employee performance. *European Research on Management and Business Economics*, 25(3), 144–150. <https://doi.org/10.1016/j.iedeen.2019.05.001>
- [15] Ernur, M. M. H., Harlen, H., & Sasmita, J. (2017). Pengaruh Penghargaan Dan Kompetensi Terhadap Kinerja Melalui Loyalitas Karyawan Hotel Bintang Lima Di Pekanbaru. *Jurnal Tepak Manajemen Bisnis*, 9(3), 131–142.
- [16] Fatah, A., Suhandini, Y., Manajemen, F., & Raya, U. S. (2019). The Effect Of Employee Incentives And Rewards On Employee Performance. *E-Journal Apresiasi Ekonomi*, 7(1), 46–55.

- [17] Fay, C. H., & Thompson, M. A. (2001). Contextual Determinants Of Reward Systems Succes : An Exploratory Study. *Human Recource Management*, 40(3), 213–226.
- [18] Hartati, T. (2020). Analysis of Influence of Motivation, Competence, Compensation toward Performance of Employee. *Budapest International Research and Critics Institute (BIRCI-Journal): Humanities and Social Sciences*, 3(2), 1031–1038. <https://doi.org/10.33258/birci.v3i2.933>
- [19] Heriyanto, T., Naser, J. A., & Setia, K. A. (2018). The Effect of Competence and Discipline *Management and Economics Journal*, 2(3), 269–278.
- [20] Hidayati, T. ; R. (2016). The Effect On The Job Satisfaction Organization, Performance Of Employees Commitment, And Service Performance. *Kinerja : Jurnal Ekonomi Dan Manajemen*, 13(1), 1–12.
- [21] Kartika, L. N., & Sugiarto, A. (2014). Pengaruh tingkat kompetensi terhadap kinerja pegawai administrasi perkantoran. *Jurnal Ekonomi dan Bisnis*, 17(1), 73–90.
- [22] Makawi, U., Normajatun, & Haliq, A. (2015). Analisis Pengaruh Kompetensi Terhadap Kinerja Pegawai Dinas Perindustrian Dan Perdagangan Kota Banjarmasin. *Al-Ulum Ilmu Sosial Dan Humaniora*, 1(1), 16–26. <http://ojs.uniska-bjm.ac.id/index.php/ALSH/article/viewFile/307/290>
- [23] Mesepy, S. S. (2016). The Impact Of Reward And Recognition On Employee Engagement At PT . BANK SULUTGO , MANADO . *Jurnal Berkala Imilah Efisiensi*, 16(01), 289–301.
- [24] Meyer, J. P., & Allen, N. J. (1984). Testing the "side-bet theory" of organizational commitment: Some methodological considerations. *Journal of Applied Psychology*, 69(3), 372–378. <https://doi.org/10.1037/0021-9010.69.3.372>
- [25] Musabah, S. B. A. Z., & Mohamad, N. A. (2017). The Influence of Organizational Commitment on Omani Public Employees' Work Performance. *International Review of Management and Marketing*, 7(2), 151–160.
- [26] Ndungu, D. N. (2017). The Effects of Rewards and Recognition on Employee Performance in Public Educational Institutions: A Case of Kenyatta University, Kenya. *Global Journal Of Management And Business Research : A Administration and Management*, 17(1).
- [27] Ngwa, W. T., Adeleke, B. S., Agbaeze, E. K., Ghasi, N. C., & Imhanrenialena, B. O. (2019). EFFECT OF REWARD SYSTEM ON EMPLOYEE PERFORMANCE AMONG SELECTED MANUFACTURING FIRMS IN THE LITORAL REGION OF CAMEROON. *Academy of Strategy Management Journal*, 18(3), 1–16.
- [28] Podsakoff, P. M., & Mackenzie, S. B. (2009). Impact of Organizational Citizenship Behavior on Organizational Performance : A Review and Suggestion for Future Research. *Human Performance*, 10(2), 133–150. <https://doi.org/10.1207/s15327043hup1002>
- [29] Pranita, F. M. (2018). Influence Of Motivation And Organizational Commitment On Work Satisfaction And Employee Performance. *Proceedings of the ICECRS*, 1(2), 24–31. <https://doi.org/10.21070/picecrs.v1i2.1431>
- [30] Pratheepkanth, P. (2011). Reward System And Its Impact On Employee Motivation In Commercial Bank Of Sri Lanka Plc, In Jaffna District. *Global Journal Of Management And Business Research*, 11(4).
- [31] Rahman, M. M., Hamid, M. K., & Khan, M. A. M. (2015). Determinants of Bank Profitability: Empirical Evidence from Bangladesh. *International Journal of Business and Management*, 10(8), 135–150. <https://doi.org/10.5539/ijbm.v10n8p135>
- [32] Rantesalu, A., Mus, A. R., & Arifin, Z. (2017). *The effect of competence, motivation and organizational culture on employee performance: the mediating role of organizational commitment*.
- [33] Republik Indonesia. Peraturan Pemerintah Nomor 58 Tahun 2005 tentang Pengelolaan Keuangan Daerah.
- [34] Respatiningsih, I., & Sudirjo, F. (2016). Pengaruh komitmen organisasi, motivasi, kapabilitas dan kepuasan kerja terhadap kinerja pegawai (Studi Empirik Pada Inspektorat Kabupaten Pematang). *Serat*

- Acitya*, 4(3), 56.
- [35] Sabuhari, R., Sudiro, A., Irawanto, D. W., & Rahayu, M. (2020). The effects of human resource flexibility, employee competency, organizational culture adaptation and job satisfaction on employee performance. *Management Science Letters*, 10(8), 1777–1786. <https://doi.org/10.5267/j.msl.2020.1.001>
- [36] Salah, M. R. A. (2016). The Influence of Rewards on Employees Performance. *British Journal of Economics*, 13(4), 1–25. <https://doi.org/10.9734/BJEMT/2016/25822>
- [37] Sharma, J. P., & Bajpai, N. (2010). Organizational Commitment and Its Impact on Job Satisfaction of Employees: A Comparative Study in Public and Private Sector in India. *International Bulletin of Business Administration*, 9, 7–19.
- [38] Suharno, P., & Despinur, D. (2017). The Impact Of Work Motivation And Competence on Employee Performance Through Service Quality in Administrative Staff Of Universitas Negeri Jakarta, Indonesia. *Russian Journal Of Agricultural and Socio-Economics Sciences*, 1(61), 160–171. <https://doi.org/https://doi.org/10.18551/rjoas.2017-01.16>
- [39] Suharto, Suyanto, & Hendri, N. (2019). The impact of organizational commitment on job performance. *International Journal of Economics and Business Administration*, 7(2), 189–206. <https://doi.org/10.35808/ijeba/227>
- [40] Sujiati, Ma'arif, M. S., & Najib, M. (2017). the Effect of Motivation and Competence on Employee Performance in Satellite Technology Center - National Institute Aeronautics and Space. *Jurnal Aplikasi Manajemen*, 15(2), 229–237. <https://doi.org/10.21776/ub.jam.2017.015.02.06>
- [41] Supriyanto, A. (2012). *Persepsi Guru Matematika Terhadap Kurikulum Sekolah Syariah Serta Implikasinya Dalam Pembelajaran (Studi kasus pada SD Muhammadiyah Program Khusus Kottabarat Surakarta tahun 2012)*. Universitas Muhammadiyah Surakarta.
- [42] Susanty, A., & Miradipta, R. (2013). Employee's Job Performance: The Effect of Attitude toward Works, Organizational Commitment, and Job Satisfaction. *Jurnal Teknik Industri*, 15(1). <https://doi.org/10.9744/jti.15.1.13-24>
- [43] Uppal, N., Mishra, S. K., & Vohra, N. (2014). Prior Related Work Experience and Job Performance: Role of personality. *International Journal of Selection and Assessment*, 22(1), 39–51. <https://doi.org/10.1111/ijsa.12055>
- [44] Venkatraman, N., & Ramanujam, V. (1986). Measurement of Business Performance in Strategy Research: A Comparison of Approaches. *Academy of Management Review*, 11(4), 801–814. <https://doi.org/10.5465/amr.1986.4283976>
- [45] Yean, T. F., & Yusof, A. A. (2016). Organizational Justice: A Conceptual Discussion. *Procedia - Social and Behavioral Sciences*, 219, 798–803. <https://doi.org/10.1016/j.sbspro.2016.05.082>
- [46] Zahargier, M. S., & Balasundaram, N. (2011). Factors affecting Employees' Performance in ReadyMade Garments (RMGs) Sector in Chittagong, Bangladesh. *Economic Sciences Series*, 63(1), 9–15.