The Effects of Compensation, Competence, and Transformational Leadership on Lecturers' Motivation and Performance

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Abstract:

This study aims to analyse the influence of compensation, competence, and transformational leadership on lecturer performance, with work motivation as an intervening variable. The study employed a quantitative approach using a cross-sectional survey and Structural Equation Modelling (SEM) to confirm the relationships among variables. Data were collected through a Likert-scale questionnaire from 289 lecturers at private Islamic universities in Indonesia. The instrument was developed based on indicators for each variable, validated by experts, and pilot-tested, demonstrating validity and reliability. The results indicate that compensation significantly influences work motivation, but does not directly impact performance; however, compensation influences performance through motivation. Competence significantly influences motivation and performance, and improves performance through motivation. Transformational leadership significantly influences motivation but does not directly impact performance; rather, it does so through motivation. Work motivation significantly influences lecturer performance. The implications of this study emphasise that improving lecturer performance can be achieved through policies that strengthen motivation, such as fair compensation, competency development, and transformational leadership.

Keywords: *Compensation, Competence, Transformational Leadership, Lecturer Performance*

Abstrak:

Penelitian ini bertujuan menganalisis pengaruh kompensasi, kompetensi, dan kepemimpinan transformasional terhadap kinerja dosen dengan menempatkan motivasi kerja sebagai variabel intervening. Penelitian menggunakan pendekatan kuantitatif dengan metode Survei lintas sektoral (Cross sectional survey) dengan analisis Structural Equation Modeling (SEM) sebagai alat untuk mengkonfirmasi hubungan antar variabel. Data dikumpulkan melalui kuesioner skala Likert pada 289 dosen Universitas Islam Swasta di Indonesia. Instrumen disusun berdasarkan indikator tiap variabel, divalidasi oleh ahli, serta diuji coba dan dinyatakan memenuhi persyaratan validitas dan reliabilitas. Hasil penelitian menunjukkan bahwa kompensasi berpengaruh signifikan terhadap motivasi kerja, namun tidak langsung berpengaruh pada kinerja; meskipun demikian, kompensasi mempengaruhi kinerja melalui motivasi. Kompetensi berpengaruh signifikan terhadap motivasi dan kinerja, serta meningkatkan kinerja melalui motivasi. Kepemimpinan transformasional mempengaruhi motivasi, tetapi tidak berpengaruh langsung terhadap kinerja, melainkan melalui motivasi. Motivasi kerja berpengaruh signifikan terhadap kinerja dosen. Implikasi penelitian menekankan bahwa peningkatan kinerja dosen dapat dicapai melalui kebijakan yang memperkuat motivasi, seperti kompensasi yang adil, pengembangan kompetensi, dan kepemimpinan transformasional.

Kata Kunci: *Kompensasi, Kompetensi, Kepemimpinan Transformasional, Kinerja Dosen*

INTRODUCTION

Higher education institutions serve as pillars of national civilizational development and play the most strategic and decisive role in nation-building, as the success of lower levels of education largely depends on the effectiveness of higher education (Chen & Shih, 2025). In addition to functioning as agents of education and agents of research and development, higher education institutions also act as agents of economic development. Higher education contributes to economic growth (Chen & Dong, 2025) and plays a crucial role in a country's social, economic, and political development (Li & Kang, 2025). Therefore, the development of higher education affects not only economic growth but also human and social development (Tafese et al., 2024).

That of their lecturers largely determines the performance of higher education institutions. As professional educators and scholars, lecturers carry out the Tridharma of Higher Education, education, research, and community service to enhance the quality of national education (Liana et al., 2025). Lecturers are responsible for designing and delivering educational programs. They are also involved in ensuring quality assurance (Micallef, 2025), thereby contributing significantly to the quality of universities and their graduates (Suyatmo et al., 2025). This situation results in an imbalance between the quantity of publications needed to achieve career advancement and the quality of scholarly research produced (Duarte & Vardasca, 2023). Overall, although this system aims to enhance educational quality, performance pressures often increase administrative burdens, diverting lecturers' attention from their core academic responsibilities. Empirical evidence suggests that lecturer performance driven primarily by publication and accreditation demands may adversely affect psychological well-being, creating challenges in maintaining research integrity and managing a balanced workload (Albaroudi et al., 2025).

More specifically, lecturer competence is defined as a set of knowledge, skills, and behaviours that lecturers must master to fulfil their professional duties. In Indonesia, lecturer competence comprises four interrelated core dimensions: professional, pedagogical, social, and personal competence. Professional competence requires mastery of disciplinary knowledge and active contributions to scholarly research. Pedagogical competence obliges lecturers to design, implement, and evaluate effective learning processes that are aligned with students' characteristics. Social competence encompasses the ability to interact constructively with students, colleagues, and external stakeholders to foster a supportive academic climate. Personal competence focuses on ethics, integrity, and leadership, positioning lecturers as role models in academic and professional contexts. Collectively, these four dimensions underpin the quality of teaching, research, and community service in higher education (Ma'ruf et al., 2025; Sugiyarto et al., 2025).

Leadership is also a critical factor influencing lecturers' performance, as the development of higher education institutions cannot be separated from the role of their leaders (Yu et al., 2025). Transformational leadership addresses followers' personal needs, motivates and inspires them to achieve organizational goals, and encourages creativity, innovation, and growth (Hammadi et al., 2025). Several previous studies have found that transformational leadership has a significant effect on performance, including those by Mobeena et al. (2024) and Soim (2024).

In the context of higher education, transformational leadership is selected for its ability to create a shared vision, inspire faculty members, and empower lecturers to pursue higher institutional goals. This leadership style—characterised by idealised influence, inspirational motivation, intellectual stimulation, and individualised consideration—has been empirically shown to enhance intrinsic motivation, innovation, and lecturer performance (Saif et al., 2024; Zhang et al., 2025). In contrast to other leadership approaches, such as servant leadership, which primarily emphasises individual well-being, and instructional leadership, which focuses on teaching practices, transformational leadership possesses a distinctive strength in driving organisational culture change and fostering the intellectual capacity development required in higher education settings. Therefore, transformational leadership is chosen because it can generate meaning, inspiration, and profound psychological empowerment among lecturers, ultimately enhancing performance and innovation in higher education institutions (Kou et al., 2024).

Previous studies conducted across various countries have extensively examined issues related to lecturer performance. For instance, Rashida et al. (2025) in Ghana investigated the impact of continuous professional development (CPD) on lecturer performance; Do (2024) examined lecturer performance evaluation in Vietnam through the application of the fuzzy AHP method; Otache and Inekwe (2022) explored the relationship between job satisfaction, turnover intention, and lecturer performance in Nigeria.

To understand lecturer performance in higher education institutions, previous studies have identified several factors that influence lecturers' effectiveness and professional development. Relevant studies, such as those by Rashida & Bariham (2025), indicate that Continuous Professional Development (CPD) has a positive impact on lecturer performance, particularly by enhancing their skills, knowledge, and motivation. However, this study did not conduct an in-depth analysis of contextual or organisational factors that may simultaneously influence both professional development and lecturer performance.

Another study by Do (2024), which examined lecturer performance evaluation in Vietnam using the Fuzzy AHP and Fuzzy TOPSIS methods, showed that fuzzy-based methods provide more accurate and objective assessments of lecturer performance. However, this study did not consider individual or contextual factors that might impact lecturer performance beyond the objective fuzzy-based evaluations. Additionally, social or behavioural aspects influencing lecturer performance were not included in this model.

On the other hand, Otache & Inekwe (2022) examined the relationships among job satisfaction, turnover intention, and lecturer performance in Nigeria.

Their analysis indicated that job satisfaction positively affects lecturer performance, whereas turnover intention negatively affects it. However, this study also did not examine how contextual or organisational factors may moderate the relationships among job satisfaction, turnover intention, and lecturer performance.

While these studies provide valuable insights, there is still a research gap, particularly in the context of Islamic higher education. Religious values, academic integrity, and a commitment to moral and intellectual development play a crucial role in shaping lecturer performance in Islamic higher education institutions. This study aims to address this gap by developing a model that analyses the effects of compensation, competence, and transformational leadership on lecturer motivation and performance within Islamic higher education institutions. In the proposed model, work motivation serves as an intervening variable that mediates the relationships between the three independent variables and lecturer performance. This research is expected to make theoretical contributions by strengthening a multi-level framework of lecturer performance in the context of Islamic higher education, while also offering practical contributions by informing higher education institutions about policies related to compensation, competency development, and transformational leadership that can consistently improve lecturer performance.

RESEARCH METHODS

The research employs a quantitative, cross-sectional survey design and uses Structural Equation Modelling (SEM) to confirm the hypothesised relationships. The research design is correlational and aims to examine the direct and indirect effects of compensation (X1), competence (X2), and transformational leadership (X3) on motivation (Y1) and performance (Y2), and to assess the role of motivation (Y1) as a mediating variable. This study was conducted at an Islamic higher education institution in Indonesia. The population comprised all lecturers at Universitas Muhammadiyah Makassar, with 754 individuals. A sample of 289 lecturers was selected using the Slovin formula, as suggested by Bao et al. (2025).

Data were collected through questionnaires, observations, and documentation. The questionnaire measuring the five variables employed a five-point Likert scale ranging from (1) strongly disagree to (5) strongly agree. The instruments were developed based on indicators for each variable and subsequently validated by three experts. A pilot test was then conducted with 43 lecturers from other universities. The results indicated that all items achieved a Pearson Product-Moment correlation coefficient (r) $\geq$ 0.30 at the $p < 0.05$ significance level and Cronbach's Alpha values $\geq$ 0.60, confirming that the instruments met the criteria for validity and reliability (Govindasamy et al., 2024).

Data analysis was performed using Structural Equation Modelling (SEM), a multivariate analytical technique that integrates factor analysis, structural modelling, and path analysis to examine relationships among variables and to confirm theoretically grounded models using empirical data. In brief, the SEM procedure involved developing a theoretical model based on a literature review, constructing a path diagram representing exogenous and endogenous constructs, translating the model into structural and measurement equations, examining

potential identification issues, and evaluating data assumptions (sample size adequacy, normality, and outliers). Model fit was assessed using goodness-of-fit indices, including Chi-square (p > 0.05), RMSEA (≤ 0.08), GFI/AGFI (≥ 0.90), CMIN/DF (< 2–3), and TLI (> 0.90), prior to interpretation and, if necessary, model modification using AMOS Falebita, O. S., Asanre, A. A., & Chibisa, A. (2025).

However, prior to conducting the SEM analysis, prerequisite testing through Confirmatory Factor Analysis (CFA) was performed. This process included: (1) the evaluation of goodness-of-fit criteria, along with an assessment of data normality assumptions and the examination of outliers, including both univariate and multivariate outliers; and (2) the measurement of each construct or latent variable.

RESULTS AND DISCUSSION
Results
Based on the results of data collection through questionnaires administered to 289 respondents, the data were subsequently analyzed using the Structural Equation Modeling (SEM) approach with Confirmatory Factor Analysis (CFA) employing the AMOS 29.0 program, as explained as evaluation of Goodness-of-Fit Criteria: a) fulfillment of the normality assumption in the data, indicated by critical ratio (c.r.) values greater than 2.58 or less than −2.58; b) absence of univariate outliers, as indicated by z-score values ranging from −4.68 to a maximum threshold of 1.62; and Factor loadings or lambda coefficients (λ) of the exogenous and endogenous variables.

Table 1. Factor Loading Values (λ) of Endogenous and Exogenous Variable Measurements

Variable Indicators	Loading Factor (λ)	Critical Ratio	Probability (p)	Description
Compensation Variable				
X1.1	0.709	12.808	< 0.001	Significant
X1.2	0.870	Fix	< 0.001	Significant
X1.3	0.793	14.999	< 0.001	Significant
Competency Variable				
X2.1	0.906	Fix	< 0.001	Significant
X2.2	0.656	12.788	< 0.001	Significant
X2.3	0.465	8.169	< 0.001	Significant
X2.4	0.856	19.191	< 0.001	Significant
X2.5	0.759	15.814	< 0.001	Significant
Transformational Leadership Variable				
X3.1	0.905	25.482	< 0.001	Significant
X3.2	0.915	26.213	< 0.001	Significant
X3.3	0.918	Fix	< 0.001	Significant
X3.4	0.902	25.295	< 0.001	Significant
Motivation Variable				
Y1.1	0.993	Fix	< 0.001	Significant
Y1.2	0.747	14.037	< 0.001	Significant
Performance Variable				
Y2.1	0.789	Fix	< 0.001	Significant
Y2.2	0.586	12.281	< 0.001	Significant
Y2.3	0.356	5.782	< 0.001	Significant
Y2.4	0.662	11.400	< 0.001	Significant

All 18 indicators constituting the variables were statistically significant and thus retained for inclusion in the model testing. The results of the evaluation of the overall model goodness-of-fit indices are summarized in the table below.

Table 2. Assessment of Overall Model Goodness-of-Fit Indices

Goodness of fit index	Cut-off Value	Model Result	Assessment
Chi_square	Expected to be small	118.010 < (0,05:95 = 11.752)	Good
Probability	≥ 0,05	0.055	Good
CMIN/DF	≤ 2,00	1.242	Good
RMSEA	≤ 0,08	0.029	Good
GFI	≥ 0,90	0.958	Good
AGFI	≥ 0,90	0.925	Good
TLI	≥ 0,94	0.991	Good
CFI	≥ 0,94	0.988	Good

The model evaluation shows that all eight goodness-of-fit indices meet the recommended criteria, indicating that the overall model fits the data well and is therefore appropriate for further analysis. The results of the hypothesis testing are presented in Table 3.

Table 3. Hypothesis Testing

H	Independent Variable	Dependent Variable	Direct Effect			
			Standardize	CR	p-value	Assessment
1	Compensation	Motivation	0.224	5.643	< 0,001	Accepted
2	Compensation	Motivation	0.094	1.736	0.083	Rejected
4	Compensation	Motivation	0.632	8.002	< 0,001	Accepted
5	Compensation	Performance	0.345	2.913	0.004	Accepted
7	Transformational Leadership	Motivation	0.288	6.704	< 0,001	Accepted
8	Transformational Leadership	Performance	0.128	1.907	0.056	Rejected
10	Motivation	Performance	0.374	2.296	0.022	Accepted
Indirect Effect						
	Variable Independent	Variable Depend	Variable Intervening	Standardize	P -Val	Assessment
3	Compensation	Performance	Motivation	0.084	0.033	Accepted
6	Compensation	Performance	Motivation	0.236	0.027	Accepted
9	Transformational Leadership	Performance	Motivation	0.108	0.030	Accepted

The following is a concise, structured summary of the hypothesis-testing results: β = 0.224, p = 0.000 (< 0.05). Compensation has a positive and significant effect on lecturers' work motivation. H1 is accepted. This indicates that the higher the compensation received by lecturers, the higher their level of work motivation. The acceptance of H1, which states that compensation positively affects lecturers' work motivation, is reinforced by interview evidence indicating that most lecturers perceive compensation as influencing their level of enthusiasm and commitment in carrying out their duties. Coefficient β = 0.094 with p = 0.083 (> 0.05). Compensation has a positive but non-significant effect on lecturer performance, indicating no strong direct influence.

H2 is rejected. Thus, although there is a tendency for compensation to influence lecturer performance, the effect is not sufficiently strong to be considered

significant in the tested model. As a result, H2, which states that compensation has a significant effect on lecturer performance, is rejected. This may be due to the presence of other, more dominant factors influencing lecturer performance or more complex contextual factors that cannot be explained solely by compensation. Interview evidence also shows that although compensation is important, lecturers place greater value on factors such as managerial support, educational facilities, and career development opportunities, which they perceive as having a stronger influence on their performance. Therefore, while compensation still plays a role, these findings indicate that lecturer performance is influenced by a variety of other factors that should be considered in educational policy development. Coefficient $\beta = 0.084$ with $p = 0.033$ (< 0.05). Compensation has a positive and significant indirect effect on performance through increased work motivation. H3 is accepted. This indicates that although compensation does not directly affect lecturer performance, the compensation received can enhance work motivation, which in turn contributes to improved performance.

The acceptance of H3 suggests that, although indirect, compensation plays an important role in increasing lecturers' enthusiasm and motivation to perform better. Interview evidence further supports this finding, with many lecturers stating that fair and adequate compensation increases their sense of being valued and encourages greater contributions to teaching and research activities. Coefficient $\beta = 0.632$ with $p = 0.000$ (< 0.05). Competence has a positive and significant effect on lecturers' work motivation. H4 is accepted. This means that the higher a lecturer's competence, the higher their work motivation. The acceptance of H4, which states that competence positively affects lecturers' work motivation, is supported by interview evidence revealing that lecturers feel more motivated when they perceive themselves as competent in their respective fields. Lecturers with adequate skills and knowledge feel more confident and enthusiastic in carrying out teaching, research, and community service activities.

Furthermore, coefficient $\beta = 0.345$ with $p = 0.004$ (< 0.05). Competence has a positive and significant effect on lecturer performance. H5 is accepted. This indicates that improvements in lecturer competence directly contribute to enhanced performance. The acceptance of H5, which states that competence significantly affects lecturer performance, is supported by interview evidence indicating that many lecturers view their disciplinary expertise and teaching abilities as the primary factors in achieving optimal performance. Lecturers with strong competence feel more capable of delivering learning materials, conducting research, and contributing to other academic activities. Coefficient $\beta = 0.236$ with $p = 0.027$ (< 0.05). Competence has a positive, significant indirect effect on performance via work motivation. H6 is accepted. This finding indicates that competence positively and significantly influences lecturer performance indirectly through work motivation. This suggests that although competence does not directly affect performance, greater competence enhances lecturers' motivation, which, in turn, contributes to improved performance. The acceptance of H6 demonstrates that work motivation serves as an important mediator in the relationship between competence and lecturer performance.

Interview evidence also supports this finding, as many lecturers reported feeling more motivated to perform well when they perceive themselves as competent in their work. When lecturers feel they possess adequate skills and knowledge, they are more enthusiastic and motivated to achieve higher performance in teaching, research, and community service. Coefficient $\beta = 0.288$ with $p = 0.000$ (< 0.05). Transformational leadership has a positive and significant effect on lecturers' work motivation. H7 is accepted. This means that transformational leadership styles applied by leaders in educational institutions can enhance lecturers' work motivation. The acceptance of H7, which states that transformational leadership significantly affects lecturers' work motivation, is supported by interview evidence indicating that lecturers feel more motivated when led by leaders who can inspire, provide a clear vision, and give individualized attention to their needs and personal development. Leaders who apply transformational leadership principles—such as motivating, supporting professional growth, and encouraging innovation and creativity—are proven to create a supportive environment that motivates lecturers to perform better.

The next result is a coefficient $\beta = 0.128$ with $p = 0.056$ (> 0.05), indicating that transformational leadership has a positive but non-significant direct effect on performance. Therefore, H8 is rejected. While there is a tendency for transformational leadership to enhance lecturer performance, the effect is not strong enough to be considered significant in the tested model. This could be due to other more dominant factors influencing performance, such as individual characteristics, institutional policies, or resource support, which were not accounted for in this study. Interview evidence also suggests that while lecturers appreciate inspirational leadership, they place greater value on factors like supportive facilities and career development, which they perceive as having a stronger impact on their performance.

A coefficient $\beta = 0.108$ with $p = 0.030$ (< 0.05) indicates that transformational leadership has a positive, significant indirect effect on performance via work motivation. H9 is accepted, suggesting that while transformational leadership does not directly affect performance, it enhances lecturers' work motivation, which, in turn, improves performance. Interview data support this finding, as lecturers reported feeling more motivated and performing better when led by leaders who provide a clear vision and support personal and professional development. This highlights the role of work motivation as a mediator between leadership and lecturer performance.

Finally, with a coefficient $\beta = 0.374$ and $p = 0.022$ (< 0.05), motivation has a positive and significant effect on lecturer performance, supporting H10. This finding indicates that higher work motivation is associated with better lecturer performance, as evidenced by many lecturers who stated that higher motivation leads them to work harder, stay focused, and show greater dedication in their teaching, research, and community service. This aligns with theoretical perspectives emphasising the impact of intrinsic motivation on individual performance in academic settings.

Discussion

The findings of this study reveal several important insights. First, compensation is found to have a positive and significant effect on lecturers' work motivation. This indicates that higher levels of compensation, both financial and non-financial, strengthen lecturers' internal drive to perform optimally and to maintain commitment to the implementation of the Tridharma of Higher Education. This finding is consistent with equity theory, which posits that individuals are motivated when they perceive fair treatment, particularly in relation to compensation, compared with relevant referent others (Qiu & Rojniruttikul, 2025). It also reinforces empirical evidence from previous studies that identify compensation as a key determinant of work motivation (Peemanee et al., 2025). The implications of these findings highlight the importance of balanced compensation policies that encompass both financial and non-financial components to enhance lecturers' motivation at work. Fair compensation, including recognition, professional development opportunities, and well-being, can increase lecturers' job satisfaction and organizational commitment. Therefore, higher education institutions need to formulate equitable compensation policies that ensure lecturers feel valued and motivated to achieve higher performance levels.

Second, the results indicate that compensation has a positive, though non-significant, direct effect on lecturers' performance. This suggests that although compensation tends to be associated with improved performance, the magnitude of its direct influence is not statistically strong enough to confirm a direct causal relationship. This finding aligns with prior studies reporting a positive, though non-significant, relationship between compensation and lecturers' performance, particularly in contexts where creativity, self-development, and intrinsic growth motives play a more prominent role than extrinsic rewards (Li et al., 2025). Moreover, recent research suggests that the relationship between compensation and work productivity is not always linear, as performance outcomes may depend on contextual and psychological factors rather than monetary incentives alone.

The implications of these findings suggest that while compensation may enhance lecturers' motivation, its impact on performance is not necessarily direct or linear. Other factors, such as opportunities for creativity, professional development, and personal satisfaction at work, also influence lecturer performance. Therefore, human resource management policies in higher education should incorporate these factors alongside compensation by fostering a work environment that supports lecturers' creativity and self-development. Compensation does not always significantly influence lecturer performance, as lecturers are often driven by intrinsic motivations, including personal fulfilment, teaching opportunities, and a desire to contribute to society.

Third, compensation is shown to have a positive and significant indirect effect on lecturers' performance through work motivation. This indicates that compensation enhances performance primarily by increasing lecturers' motivation, which, in turn, translates into improved performance outcomes. This finding is consistent with studies demonstrating that adequate compensation contributes to both intrinsic and extrinsic motivation, which, in turn, drive higher

performance (Qulsum et al., 2024). This mechanism is further elaborated by Chen et al. (2023), who emphasize the dynamic nature of motivational mediation, suggesting that increases in compensation tend to yield short-term positive effects on motivation and performance. However, these effects may diminish over time if not supported by other motivational drivers.

The implications of these findings indicate that educational institutions need to provide adequate compensation, as it not only enhances lecturers' motivation but also contributes to improved performance. However, to achieve long-term impact, compensation policies should be balanced with other strategies, such as career development, recognition of innovation, and opportunities to contribute to research and teaching. Adequate compensation can motivate lecturers extrinsically while also strengthening intrinsic motivation, such as a sense of being valued, which encourages them to improve teaching quality and engage in innovation. Nevertheless, it is important to consider that the positive effects of compensation may be temporary; therefore, sustained policies are required to maintain lecturers' motivation in the long term.

Fourth, the findings indicate that competence has a positive and significant effect on lecturers' work motivation. This implies that higher levels of competence are associated with stronger motivation to engage in academic work. This result is consistent with Self-Determination Theory (SDT), proposed by Ryan and Deci, which identifies competence as a fundamental psychological need and a key determinant of work motivation (Ryan & Deci, 2024). The fulfilment of competence needs has also been shown to enhance vitality and psychological well-being, thereby strengthening intrinsic motivation, defined as motivation that arises from internal interest rather than external control or pressure (Zhang et al., 2025). In addition, increased competence has been found to improve job satisfaction, which is consistently and positively associated with higher levels of work motivation (Agustina et al., 2025; Surugiu et al., 2025).

These findings imply that educational institutions should focus on developing lecturers' competencies through training programs and opportunities to enhance relevant skills. Improved competence can motivate lecturers in carrying out the tridharma of higher education. Strong competence provides lecturers with a sense of confidence and satisfaction, reinforcing intrinsic motivation to continuously develop and perform optimally. Lecturers who perceive themselves as having adequate competence are more motivated to make their best contributions, thereby enhancing their performance.

Fifth, competence is found to have a positive and significant effect on lecturers' performance. This suggests that as lecturers' competencies improve, their performance is likely to increase accordingly. This relationship is consistent with the human capital perspective, which views competence as a critical form of capital for enhancing work performance. Empirical evidence indicates that configurations of human capital, in conjunction with psychological and social capital, are associated with variations in individual performance outcomes (Xu et al., 2022). Furthermore, systematic reviews of performance research emphasize that performance is a multidimensional construct encompassing task performance, contextual performance, adaptive performance, and productive

behaviours, all of which can be conceptually influenced by individual competence (Krijgsheld, Tummers, and Scheepers 2022). The implications of these findings indicate that improving lecturers' competence should be a priority for educational institutions. Continuous training programs will enhance lecturers' skills, knowledge, and abilities, encouraging them to demonstrate better performance in teaching, research, and community service. High levels of competence enable lecturers to accomplish tasks more effectively, produce high-quality research, and adapt to changes. This improvement in competence will directly enhance the overall quality of lecturers' performance.

The sixth finding indicates that motivation functions as a mediating variable in the relationship between competence and performance. The competencies possessed by lecturers not only directly contribute to performance but also enhance work motivation, which, in turn, strengthens their performance outcomes. This argument is reinforced by several empirical studies demonstrating that the effect of competence on lecturers' performance varies according to the level of work motivation. The influence of competence on performance becomes stronger when work motivation is high. (Al-Aamri, Soliman, and Ponniah 2024) report that differences influence variations in lecturers' performance as an outcome of competence in work motivation levels.

The seventh finding reveals that transformational leadership has a positive and significant effect on lecturers' work motivation. This implies that the higher the level of lecturers' work motivation, the more effectively institutional leaders implement transformational leadership. This finding confirms that increases follow improvements in the quality of transformational leadership practices, leading to higher lecturer motivation. Substantively, this condition indicates that lecturers' motivation is not determined solely by administrative factors or material incentives, but also by the quality of leadership relationships that shape work meaning, goal orientation, and lecturers' psychological experiences in performing their roles. This finding is supported by previous studies showing that transformational leadership is positively correlated with intrinsic motivation, which, in turn, contributes to creativity. Furthermore, transformational leadership enhances psychological empowerment, which in turn strengthens work motivation (Bao et al., 2025).

The eighth finding shows that transformational leadership has a positive but insignificant effect on lecturers' performance. This indicates that transformational leadership cannot directly drive improvements in lecturers' performance. This result is supported by professionalism theory, which emphasizes that academic professions exhibit a high degree of self-regulation in their performance. Accordingly, lecturers carry out their duties based on professional standards rather than merely on directives from structural leaders such as deans (Kenny et al., 2025). This finding provides a critical reflection on Bass & Avolio's transformational leadership theory, which is often regarded as one of the most effective leadership styles for enhancing performance. However, in higher education, the influence of transformational leadership on lecturers' performance remains inconsistent.

The ninth finding indicates that transformational leadership has a positive and significant indirect effect on lecturers' performance through motivation. This means that applying transformational leadership can enhance lecturers' work motivation, thereby improving performance. This result is consistent with Deviasari et al. (2025), who demonstrate that transformational leadership positively affects employees' intrinsic motivation, which, in turn, enhances performance. Transformational leadership improves team performance through increased collective motivation and psychological empowerment. Huang et al. (2025) reveal that transformational leadership has a significant indirect effect on performance through increased intrinsic and extrinsic motivation. Similarly, Asif et al. (2025) report that transformational leadership enhances employees' innovative performance through increased motivation and creativity.

The tenth finding demonstrates that motivation has a positive and significant effect on lecturers' performance, indicating that higher levels of motivation are associated with better performance. When lecturers experience autonomy in making academic decisions, feel competent in fulfilling the tri dharma of higher education, and maintain supportive professional relationships (relatedness), intrinsic motivation tends to be higher and more stable. Theoretically, this condition is associated with improved work performance (Ryan & Deci, 2024).

Overall, the main finding of this study is that work motivation serves as a key mechanism that directly and meaningfully determines lecturers' performance. This is evidenced by the positive and significant effect of motivation on performance, as well as by the significance of all indirect effect pathways through motivation, which reinforces motivation's position as the primary "explanatory pathway" in the model. In other words, improvements in lecturers' performance tend to occur when antecedent factors first enhance motivation, which is then translated into performance outcomes.

Despite these findings, this study has several limitations. The research was conducted at a single private university; therefore, the results cannot be generalized to all higher education institutions. Accordingly, future research is recommended to involve a more diverse sample, including respondents from both public and private universities, to enhance the generalizability of the findings.

CONCLUSION

The conclusion of this study shows that work motivation plays a crucial role in the relationship between compensation, competence, transformational leadership, and lecturers' performance. The main findings indicate that antecedent factors such as compensation and transformational leadership do not always directly improve performance; rather, they strengthen motivation, which, in turn, leads to improved performance. The scientific contribution of this study lies in reinforcing the argument that models for enhancing lecturers' performance are more appropriately framed in terms of motivational mechanisms, rather than relying solely on incentives or leadership as direct predictors. Practically, higher education institutions need to design policies that enhance lecturers' motivation, such as fair compensation systems, continuous competence development, and

transformational leadership that supports lecturer empowerment.

The limitation of this study is its scope, which is restricted to a single private university, limiting its generalizability to other higher education institutions. Future research is recommended to expand the scope to include various types of universities and to employ longitudinal or mixed-methods research designs to capture the dynamics of motivational mediation over time, as well as additional factors that may influence the relationships among the model's variables.

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