

## ***Building Performance Excellence through HR Innovation: The Role of Competence and Compensation in the Education Sector***

### **Membangun Keunggulan Kinerja melalui Inovasi SDM: Peran Kompetensi dan Kompensasi di Dunia Pendidikan**

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#### **ABSTRACT**

*Teacher performance plays a crucial role in the success of the learning process. Competence and appropriate compensation are often identified as key factors influencing performance outcomes. This study aims to examine the effects of competence and compensation on teacher performance at State Senior High School 1 Tempuran, Karawang, both individually and collectively. Utilizing a quantitative approach, all teachers at the school were included as research participants. The findings reveal that competence has a significant individual impact on teacher performance, while compensation does not show a meaningful influence when considered separately. However, when analyzed together, competence and compensation collectively contribute to teacher performance. These results highlight the importance of enhancing professional competence as a strategy to improve overall teaching quality, with compensation playing a supportive role.*

**Keywords:** Competence, Compensation, Teacher Performance

#### **ABSTRAK**

Kinerja guru merupakan elemen penting dalam keberhasilan proses pembelajaran. Kompetensi dan kompensasi yang memadai sering dianggap sebagai faktor utama yang memengaruhi kinerja guru. Penelitian ini bertujuan untuk menganalisis pengaruh kompetensi dan kompensasi terhadap kinerja guru di SMAN 1 Tempuran Karawang, baik secara parsial maupun simultan. Dengan menggunakan pendekatan kuantitatif, seluruh guru di sekolah ini dilibatkan sebagai partisipan penelitian. Hasil penelitian menunjukkan bahwa kompetensi memiliki pengaruh yang signifikan terhadap kinerja guru secara individu, sedangkan kompensasi tidak memberikan pengaruh yang berarti jika dilihat secara terpisah. Namun demikian, secara bersamaan, kompetensi dan kompensasi turut memberikan kontribusi terhadap kinerja guru. Temuan ini menekankan pentingnya peningkatan kompetensi profesional sebagai strategi utama dalam memperbaiki kualitas pembelajaran, dengan kompensasi sebagai faktor pendukung.

**Kata Kunci:** Kompetensi, Kompensasi, Kinerja Guru

## **1. Introduction**

Human resources and education are inseparable elements in achieving organizational goals, particularly in the educational sector. Effective human resource management plays a crucial role in planning, implementing, and evaluating educational activities (Jotabá et al., 2022). While technological advancements continue to shape the education system, the role of teachers remains

irreplaceable, especially in both administrative and instructional processes. Therefore, managing human resources—especially teachers—is a fundamental component in improving the quality of education (Dewi & Singh, 2022; Yuliana & Prasetyo, 2019).

At State Senior High School 1 Tempuran, Karawang, teachers play a central role in realizing the school's vision of producing outstanding students with strong spiritual and academic values. However, based on initial observations and pre-research surveys conducted between 2021 and 2023, teacher performance at this institution has been inconsistent and suboptimal. Many teachers have failed to meet the minimum performance standards, with fluctuating assessment scores and only a few achieving ratings above 90. This phenomenon raises concerns about the effectiveness of teacher management and its influence on the learning process (Habibi et al., 2018; Rahmawati & Suryani, 2020).

Further analysis reveals that two key factors contribute to this substandard performance: teacher competence and compensation. Data shows that many teachers lack adequate pedagogical and professional competence and are often assigned to teach subjects misaligned with their academic qualifications. This mismatch negatively affects teaching effectiveness and student learning outcomes (Sari & Nugroho, 2022; Yuliana & Prasetyo, 2019; Silalahi & Nazmia, 2023). Additionally, compensation—including salaries, allowances, facilities, and incentives—has been reported as insufficient, especially for non-permanent (honorary) teachers (Putri & Santosa, 2021; Hidayati & Supriyadi, 2021).

Numerous studies have recognized the significant role of both competence and compensation in shaping teacher performance. Some research highlights that both factors have a simultaneous and partial impact on performance (Ismawati et al., 2023; Purnomo et al., 2023; Hidayatunnisa & Mariana, 2024), while others suggest that only one of these variables shows a substantial effect depending on context (Mustaqim et al., 2023; Salsabila & Lo, 2023). These conflicting findings indicate a research gap that warrants further investigation, especially within the context of public high schools in suburban areas like Karawang, West Java.

This study offers novelty by focusing on an in-depth analysis of teacher performance at State Senior High School 1 Tempuran, Karawang, specifically exploring how professional competence and compensation affect performance outcomes, both independently and interactively. Unlike previous studies, this research integrates data from actual teacher performance appraisals, educational backgrounds, and compensation satisfaction surveys, offering a more holistic perspective (Ma'rifah & Soenhadjji, 2023; Luthfiyani et al., 2021; Kurniawan & Wulandari, 2020).

The objective of this study is to analyze and explain the effects of competence and compensation on teacher performance at State Senior High School 1 Tempuran, Karawang. The findings are expected to provide practical insights for school leaders in optimizing teacher management and contribute theoretically to the field of human resource management in education.

## **2. Literature Review**

### **Human Resource Management (HRM)**

Human Resource Management (HRM) is the art and science of organizing and managing roles and relationships among employees to maximize efficiency and effectiveness in achieving the goals of the organization, employees, and society at large. HRM involves a comprehensive process including recruitment, training, performance evaluation, labor relations, employee compensation, and attention to workplace safety, health, and fairness (Jotabá et al., 2022).

### **Competence**

Competence refers to the skills, behaviors, and knowledge required by educators to effectively achieve learning objectives. These competencies are developed through formal education, training, and self-directed study. Teacher competence is viewed as a combination of personal attributes, knowledge, technological skills, social understanding, and spiritual development (Rahmawati & Suryani, 2020; Silalahi & Nazmia, 2023). Competence can be evaluated based on indicators such as pedagogical, personal, social, and professional competencies (Yuliana & Prasetyo, 2019; Sari & Nugroho, 2022). Research shows that teacher competence significantly influences their teaching performance (Dewi & Singh, 2022; Mustaqim et al., 2023).

### **Compensation**

Compensation refers to the rewards or remuneration provided by organizations to employees, including both financial and non-financial benefits. These may include salaries, incentives, allowances, and other benefits, and they represent the organization's acknowledgment of employee contributions (Hidayati & Supriyadi, 2021; Ismawati et al., 2023). Proper and fair compensation plays a vital role in employee motivation and satisfaction, which in turn enhances job performance (Kurniawan & Wulandari, 2020; Luthfiyani et al., 2021; Ma'rifah & Soenhadji, 2023).

### **Teacher Performance**

Teacher performance is defined as the educator's ability to carry out professional responsibilities effectively, including implementing teaching tasks, ensuring the quality of the learning process, and achieving educational goals (Habibi et al., 2018). Performance evaluation often includes indicators such as student learning outcomes, teaching execution, and lesson planning (Putri & Santosa, 2021; Purnomo et al., 2023).

### **Theoretical Framework and Research Hypotheses**

#### ***Effect of Competence on Teacher Performance***

Teacher competence is a critical factor in the success of their teaching responsibilities. Competent teachers are more likely to plan, deliver, and evaluate lessons effectively. Studies have consistently shown that competence directly and positively influences teacher performance (Dewi & Singh, 2022; Sari & Nugroho, 2022; Silalahi & Nazmia, 2023; Mustaqim et al., 2023).

#### ***Effect of Compensation on Teacher Performance***

Appropriate and fair compensation significantly affects teacher performance by enhancing job satisfaction and motivation. When teachers feel rewarded and valued, they are more likely to perform better (Hidayati & Supriyadi, 2021; Kurniawan & Wulandari, 2020; Ismawati et al., 2023; Ma'rifah & Soenhadji, 2023).

#### ***Combined Effect of Competence and Compensation on Teacher Performance***

Both competence and compensation play complementary roles in influencing teacher performance. Teachers who are highly competent and receive adequate compensation tend to be more motivated and effective in delivering quality education (Salsabila & Lo, 2023; Purnomo et al., 2023; Luthfiyani et al., 2021). Research supports the notion that the combined effect of these two variables leads to a higher level of teaching performance (Habibi et al., 2018; Yuliana & Prasetyo, 2019).

### Research Hypotheses

Based on the theoretical framework and supported by prior research, the following hypotheses are proposed:

**H1:** There is a partial effect of competence on teacher performance at STATE SENIOR HIGH SCHOOL 1 Tempuran

**H2:** There is a partial effect of compensation on teacher performance at STATE SENIOR HIGH SCHOOL 1 Tempuran **H3:** There is a simultaneous effect of competence and compensation on teacher performance at STATE SENIOR HIGH SCHOOL 1 Tempuran

### 3. Methods

This study was designed as a quantitative verificative research aiming to examine the influence of competence and compensation on teacher performance. A closed-ended questionnaire served as the main data collection instrument, ensuring standardized responses across participants. The research was conducted at STATE SENIOR HIGH SCHOOL 1 Tempuran, located in Pagadungan Village, Tempuran Subdistrict, Karawang Regency. The study utilized both primary data, obtained directly from respondents, and secondary data, gathered from institutional records and relevant literature. The research population consisted of 45 teachers at STATE SENIOR HIGH SCHOOL 1 Tempuran, and the entire population was taken as the sample, applying a total sampling technique. Data were collected by distributing closed-ended questionnaires to all 45 teachers.

For data analysis, the study employed multiple linear regression analysis to assess the individual and simultaneous effects of competence and compensation on teacher performance. The analysis was conducted using SPSS version 26, allowing for accurate statistical calculations and interpretation. Variables in this study were measured using a Likert scale ranging from 1 to 5, where 1 indicated the lowest level of agreement or performance, and 5 indicated the highest. This analytical method was chosen to determine the strength and significance of relationships between variables, as well as to test the proposed research hypotheses with precision.

### 4. Result and Discussion

#### Instrument Testing

##### Validity and Reliability Test

The instrument used to measure the variables of competence, compensation, and teacher performance has been confirmed as valid. The correlation values of each item exceed the critical r-table value of 0.2940, indicating that all items meet the validity criteria. The results of the reliability test using Cronbach's Alpha. The values for all three variables—competence (X1), compensation (X2), and teacher performance (Y)—exceed the minimum threshold of 0.60. This confirms that the research instrument is reliable and consistent for use in this study.

#### Classical Assumption Testing

##### Normality Test, Multicollinearity Test, and Heteroscedasticity Test

Based on the Kolmogorov-Smirnov test presented in Table 9, the significance value is 0.071, which is greater than 0.05. This indicates that the residuals are normally distributed, and the assumption of normality is satisfied. The Tolerance value is 0.384 (greater than 0.10) and the VIF value is 2.606 (less than 10). These results indicate that there is no multicollinearity between the independent variables in this study. The significance values for the independent variables

competence (X1) and compensation (X2) are greater than 0.05. This means that the data do not exhibit heteroscedasticity, and thus the assumption of homoscedasticity is fulfilled.

### Multiple Linear Regression Analysis

**Table 1. Results of Multiple Linear Regression Analysis**

Model	Unstandardized Coefficients
	B
(Constant)	-0.885
X1 (Competence)	0,5861
X2 (Compensation)	0,1097

Source: Processed SPSS Data (2024)

Based on Table 1, the regression equation derived is as follows:

$$Y = -0.885 + 0.844X_1 + 0.158X_2 + e$$

This equation indicates that competence (X1) and compensation (X2) both have a positive relationship with teacher performance (Y), with competence showing a stronger effect.

### Hypothesis Testing

#### t-Test (Partial Effect)

**Table 2. Results of t-Test (Partial)**

Variable	t-value	Sig.	Decision
X1 (Competence)	8.613	0.000	H1 accepted
X2 (Compensation)	1.723	0.092	H2 rejected

Source: Processed SPSS Data (2024)

The results indicate that competence (X1) has a significant partial effect on teacher performance (Y), with a significance value of 0.000 (< 0.05) and a t-value of 8.613 (> t-table 2.018). This supports **H1**, suggesting that higher competence leads to improved teacher performance at STATE SENIOR HIGH SCHOOL 1 Tempuran. On the other hand, compensation (X2) has a significance value of 0.092 (> 0.05) and a t-value of 1.723 (< 2.018), indicating that it does **not** have a significant partial effect. Thus, **H2 is rejected**, meaning compensation alone does not significantly influence teacher performance.

#### F-Test (Simultaneous Effect)

**Table 3. Results of F-Test (Simultaneous)**

F-value	Sig.	F-table	Decision
130.893	0.000	03.22	H3 accepted

Source: Processed SPSS Data (2024)

The F-test results show a significance value of 0.000 (< 0.05) and an F-value of 130.893 (> 3.22), which confirms that both competence and compensation **simultaneously** affect teacher performance. Therefore, **H3 is accepted**, indicating that together, these two variables significantly influence the performance of teachers at STATE SENIOR HIGH SCHOOL 1 Tempuran.

Coefficient of Determination ( $R^2$ )

Table 4. Coefficient of Determination ( $R^2$ )

Adjusted $R^2$
0,599

Source: Processed SPSS Data (2024)

The Adjusted  $R^2$  value of 0.862 indicates that 86.2% of the variance in teacher performance can be explained by the variables competence and compensation. The remaining 13.8% is influenced by other factors not examined in this study.

Discussion

This study reveals that teacher competence plays a critical role in enhancing teacher performance. Competence encompasses not only professional knowledge and pedagogical expertise but also social and personal attributes that shape effective teaching. When teachers demonstrate high levels of competence, they are more capable of designing meaningful learning experiences, fostering positive classroom environments, and addressing diverse student needs. Several studies have echoed this finding, emphasizing the strong link between competence and performance in educational contexts (Dewi & Singh, 2022; Sari & Nugroho, 2022; Yuliana & Prasetyo, 2019). Teachers who are continuously supported through professional development and reflective practices are more likely to engage in innovative and student-centered teaching strategies, which in turn leads to better learning outcomes and increased student engagement. Ultimately, fostering competencies across pedagogic, professional, social, and personal domains is essential to improving teacher quality.

On the other hand, compensation alone does not appear to significantly influence teacher performance. Despite receiving varying levels of salary, benefits, and incentives, teachers often maintain consistent performance levels driven more by intrinsic motivation than by financial rewards. This suggests that while fair and transparent compensation systems are important, many educators are primarily motivated by their passion for teaching, sense of responsibility, and desire to contribute to student success (Hidayati & Supriyadi, 2021; Kurniawan & Wulandari, 2020). Other research supports this view, indicating that motivation, professional identity, and work satisfaction often outweigh material compensation as drivers of teacher performance (Ismawati et al., 2023; Luthfiyani et al., 2021). Therefore, improving teacher performance requires more than increasing financial incentives—it also involves building a supportive work environment and nurturing internal motivation and commitment among teachers (Habibi et al., 2018; Ma’rifah & Soenhadjji, 2023).

However, when teacher competence and compensation are considered together, they have a more substantial and positive impact on performance. A well-compensated teacher who also possesses strong professional competencies is more likely to demonstrate high motivation, job satisfaction, and dedication to their responsibilities (Purnomo et al., 2023; Salsabila & Lo, 2023). Adequate compensation provides a foundation of stability and recognition, which, when coupled with competence, creates an environment conducive to growth, creativity, and professional engagement. This synergy strengthens a teacher’s capacity to innovate and perform effectively within the classroom setting (Jotabá et al., 2022; Silalahi & Nazmia, 2023). As such, educational institutions should adopt a balanced approach that simultaneously invests in competency development and offers equitable compensation packages. This strategy not only enhances performance but also ensures long-term teacher retention and institutional success (Mustaqim et al., 2023; Putri & Santosa, 2021; Rahmawati & Suryani, 2020; Hidayatunnisa & Mariana, 2024).

## 5. Conclusion

This study concludes that teacher competence has a partial and significant influence on teacher performance at STATE SENIOR HIGH SCHOOL 1 Tempuran, indicating that efforts to enhance teacher competencies can directly improve their work quality. In contrast, compensation—though important—does not independently affect performance, suggesting that intrinsic motivation plays a stronger role than financial factors. However, when competence and compensation are considered simultaneously, they have a combined and positive impact on performance. Therefore, improving both aspects together is essential to achieving optimal teacher effectiveness.

Future studies could explore additional variables that may influence teacher performance, such as organizational culture, leadership styles, work environment, or psychological well-being. Expanding the research to different school levels or regions could provide broader insights and allow for comparative analysis. Furthermore, a mixed-methods approach combining quantitative data with qualitative interviews or observations may yield a more comprehensive understanding of how various factors interact to shape teacher performance.

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