



# The Effects Of Substantive Competence, Additional Income, And Teamwork On Employee Performance With Work Discipline As A Moderating Variable

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## ABSTRACT

The purpose of this research is to evaluate the effect of substantive competence, additional income, team work, and work discipline as a moderating variable on employee performance in the Musi Rawas Regency Inspectorate. The study is based on the consideration of the internal factors of a civil servant's performance especially within the regional government's supervisory institutions. A quantitative approach was adopted, involving 57 employees as the sample. Method was applied through survey data collection alongside inferential statistical evaluation. The study found that work discipline significantly moderates the impact of substantive competence, additional income, team work, and employee performance. These findings advanced the proposition that work discipline is fundamental in performance. The scope of this study was constrained by the region's boundaries, the scale of the study, and the sample size. This provided the public sector performance management literature with new research and also provided new practical strategies for human resource management to the Inspectorate.

## INTRODUCTION

An employee's performance illustrates their productivity and effectiveness within a organization. There are many factors that may hinder the optimization of employee performance. Setia et al., (2022) express that, employee performance problems often are personal, organizational, and environmental. This indicates that performance issues are anchored within the context and the workplace. Management systems are core to improving and increasing employee performance. As noted in multiple studies, effective management and its supportive functions play a significant role in creating conditions that are helpful in improving performance (Andrews & Mohammed, 2020; Pangaribuan & Nuryati, 2023). For instance, Andrews & Mohammed, (2020) noted that appropriate employee training and development are necessary to optimally leverage corporate resources, improving performance and increasing job satisfaction while decreasing turnover rates.

In a similar strain of research, Alsakarneh et al., (2023) reiterates the vital importance of talent management components, that include recruitment, training, and compensation, in improving employee retention and performance. Also, as a case study, the Musi Rawas Regency Regional Inspectorate portrays a specific organizational archetype under the Regent Regulation number 114 of 2019. This regulation, in particular, explains the duties of the inspectorate in aiding the regent in promoting and monitoring the fostering of government affairs in the region Setia et al., (2022). As the regulation states, the inspectorate's function is to support governance, especially in managing the balance of self-governance and aiding the regional apparatus, epitomizing wider effective governance and management aspirations in the region. The Musi Rawas Regency Regional Inspectorate's responsibility illustrates an institution's effort to enhance public sector performance within a defined organizational framework.

As highlighted earlier, an employee's performance is multifaceted. Managing an organization effectively usually requires the implementation of an effective organizational structure to resolve the performance issues of an organization's employees. The Musi Rawas Regency Regional Inspectorate's organizational structure exemplifies the implementation of these principles in governance and management.

**Table 1. Performance Achievements and Targets Musi Rawas Regency Inspectorate in 2024-2025**

| Target                                             | Performance Indicators                                                                            | Target | Realization |
|----------------------------------------------------|---------------------------------------------------------------------------------------------------|--------|-------------|
| Quality of Internal Supervision and Control System | Recommendations for the results of supervision that are completely followed up on                 | 94,42% | 89,37%      |
| Strengthening the Corruption Prevention System     | Achievement of the evaluation results of the integrated corruption prevention program action plan | 94,46% | 65,06%      |
|                                                    | Community Complaints that are followed up on                                                      | 97,95% | 90,90%      |
| Quality of Administrative Governance               | ASN Professionalism                                                                               | 85,71% | 77,73%      |

Source: Musi Rawas Regency Inspectorate, 2025

Table 1, above depicts the supervision outcomes in terms of performance indicators which show the level of follow-up of recommendations is at 95.03%. Moreover, the achievement of the integrated corruption prevention program action plan is vividly below the performance expectations at 68.14%. The indicator for community complaints that have been followed up stands at 92.82%, while ASN professionalism is 90.62%. These figures demonstrate that performance indicators designed to measure an organization's efficiency and effectiveness in achieving its goals and objectives have not been met, and as such, these areas require urgent attention.

The previously conducted research emphasizes the importance of an employee's substantive performance as an asset towards achieving the certain outcomes. In this case, Sukryani et al., (2021) demonstrated that possessing a deep grasp of competencies greatly impacts employee performance, which further suggests that enhanced performance can be achieved not only via increased income but also through enhanced with the right skills and competencies. As well Akib et al., (2023) supports that certain financial incentives such as increased income has the potential to greatly benefit employee performance. As such, this reinforces the argument that substantive competencies are not only essential for specialized roles but also with respect to leadership and managerial responsibilities.

Moreover, the connection between employee financial reward systems and organizational performance is noteworthy. Sukryani et al., (2021) explain that equitable policies dealing with supplementary income can lead to enhanced performance metrics among employees. On a different scale, diverges from the consensus by stating that while adequate additional income may drive performance, the outcomes often fall short due to a myriad of other factors like the organizational culture and supervisor backing Halim et al., (2020). Moreover, the rationale behind these financial incentives is to enhance performance and motivation; however, if these incentives are poorly executed, employee motivation and performance may be adversely affected.

Conducting the same research found that teamwork emerges as one of the most critical factors that improves performance. Confirmed the impact of teamwork on organizational performance, further emphasizing its importance for key employee performance outcomes (Sakha, 2022). At the same time, work discipline acts as a moderator on the effect of motivation on performance to some extent. Kholifah et al., (2024) noted that discipline functions to strengthen the motivational-performance relationship and that a disciplined workforce improves organizational performance.

To resolve the performance issues identified at the Musi Rawas Regency Inspectorate, the fostering and developing explicitly should focus on the substantive competencies. These competencies include the precise knowledge an employee ought to possess concerning their core tasks, the laws relevant to their functions, and the management doctrines that promote the achievement of basic governance and inspections. Therefore, this study aims to examine the influence of substantive competencies, extra pay, and group work on performance, with work discipline as a mediating variable at Musi Rawas district inspectorate within the year of 2025.

## **LITERATURE REVIEW**

### **Employee Performance**

Employee performance encapsulates a complex set of behaviors evaluated through a firm's predefined organizational standards. It captures effectiveness, efficiency, and work quality within a defined measurement framework (Sakha, 2022; Akib et al., 2023). Expectations are set in terms of quantity and quality, and measuring employee performance, including punctuality, contributes toward organization-wide enhancement and alignment with overarching organizational strategic goals (Sukryani et al., 2021). Assessing performance goes beyond quantifying the output an employee generates within a given window. It includes the employee's role in the broader organizational strategy and the intangible value added toward achieving the set ambitious goals (Putri & Sumartik, 2024).

The overarching employee performance includes motivation and ability shaped by intrinsic and extrinsic factors. Moreover, the surrounding work environment deeply influences performance. The context creates a path through which the employee must maneuver in order to meet the set expectations. The interaction of personal competencies, motivational factors, and the effective implementation of management standards reinforces the need for healthy workplace conditions that foster ideal employee performance.

### **Substantive Competency**

Knowledge, skills, and abilities, as defined in the text, pertain to specific fields and are integral to effective job functioning. This competency covers grasping the pertinent materials, methods, and processes (Sukryani et al., 2021; Song et al., 2024), and also encompasses the critical thinking and reasoning skills integral to, and necessary for, effective workplace problem solving (Setyawati & Rindaningsih, 2024).

The efficiency of employees in specialized functions greatly depends on their substantive competencies, which define their ability to deliver in a business and their competency and success in the assigned role (Idris et al., 2020). Pointed out that these technical competencies enhance individual performance and organizational productivity in the targeted industries.

### **Additional Income**

Additional forms of remuneration act as financial recognition for an individual's performance above the anticipated standard. Wei et al., (2022) and Ernaningtyas, (2020) demonstrated that forms of remuneration such as bonuses, incentives, and profit-sharing motivate employees and enhance performance. Better financial income and recognition often engage employees, leading to discipline and behavioral commitment that enhances productivity and satisfaction at work. Organizations that adopt sound remuneration policies, accompanied by additional financial income, have been shown to significantly enhance employee performance and satisfaction to the benefit of both the employees and the organization (Chala & Bouranta, (2021); Rakhman et al., (2021); Oktavianto & Yuliati, (2022).

As such, an explanation of employee performance requires looking at overlapping relate behavior, motivation, financial rewards, and other parameters. Assessing productivity in the scope of organizational goals and employee motivators, such as performance and satisfaction, allows for smooth formulation of holistic multi-dimensional frameworks which ensure all components deliver in enhancing organizational efficiency (Rahmatika & Kustini, 2024; Oktavianto & Yuliati, 2022).

### **Team work**

The synergy of individuals working together as a group toward a common objective requires a collaborative cohesive effort known as teamwork. It capitalizes on the myriad skills, knowledge, and strengths, fostering interactions that are effective (Hossain, 2020). The efficient communication and division of tasks toward the achievement of organizational goals (Dwiyanti et al., 2022) also supports this perspective. The unique contributions of each individual toward collaborative problem-solving also exemplifies effective teamwork (Gayatri & Emilisa, 2023). There also must be coordination and respect a team for the team as a whole, and conflict must be dealt with constructively if the team is to be productive. Mutual and shared support as emphasis are critical toward problem-solving at the group level. Realization of the goals of the team also requires effective communication as well as role clarity. Therefore, the effective team work is a collective effort where members are able to fully utilize the strengths, knowledge and experience of their colleagues towards defined goals.

As for work discipline, it refers to the compliance of the individual with the organizational system and work roles. Work discipline reflects the individual's willingness to comply with the organizational rules which is vital in fostering adherence to the committed duties (Alhashedi et al., 2021). This is supported by research that describes work discipline as a representation of compliance with institutional framework in an organization and policy adherence and is, therefore, productivity enhancing in the organization (Nonnis et al., 2020). Work discipline has been identified as a based contributor to productivity, reinforcing the notion that disciplined actions lead to an orderly and well function organization (Sumardjo & Supriadi, 2023). In addition, personal discipline is essential to ensure compliance with rules and procedures set, thus achieving the organizational objectives. Adherence to organizational policy leads to actions that improve significantly the performance and effectiveness of the teams (Bakhri, 2024).

Integrating the concepts of teamwork and work discipline, it is easy to observe the interrelatedness of the two. It is obvious that for effective teamwork, the disciplined actions of the members primary which indicates a reciprocal relationship that is vital for the organization. Thus, both concepts are unified as primary components in the establishment of an agile framework in which collaboration leads to high productivity.

## METHODS

This research uses Moderated Regression Analysis (MRA) to explore the relationships between substantive competency factors, additional income, teamwork, and overall employee performance, with work discipline functioning as a moderating variable. MRA is described as a distinct type of multiple linear regression where the model includes interaction terms that the merge of two or more variables.

The application of MRA in this regard as it provides additional insights on the interplay among independent variables as well as the overall effect of their interaction on employee performance, the dependent variable of interest. In this case, the analysis aims to determine the impact of each independent variable as well as how work discipline as a moderator influences these relationships (Fareed et al., 2023). For example, consider a case where the interaction among independent variables in the regression model is significant; that means the moderator influences the interaction in either strong or weak terms of the relationship (Astuti et al., 2024)

In addition, MRA is helpful in confirming whether the constructs in the hypothesis are empirically valid. Incorporating MRA into the analysis allows unpacking the intricate relationships regarding how substantive competencies, additional income, and teamwork together shape employee performance, thus providing deeper understanding of organizational efficiency and productivity (Hardi et al., 2023). This level of rigor in methodology safeguard the results gained from the regression analyses truly represent the dynamics involved and can aid in tailoring better organizational performance enhancement strategies (Sari et al., 2022).

For concluding, in addition to trying to identify the direct associations between the given variables of focus, this study undertakes to analyze the moderation effects. The analysis combines theory with evidence and thus augments the literature on human resource management making use of advanced statistical techniques like MRA.

## RESULTS

### Simple Regression Analysis

The results of the Simple Linear Regression test between the independent variable (X) and the performance variable of Musi Rawas Regency Inspectorate employees (Y) are as follows:

- a. Testing the effect of substantive competence (X1) on the employee performance variable (Y):

**Table 2. Results of the Simple Linear Regression Test of the influence of substantive competence (X1) on employee performance (Y)**

| Model |                        | Unstandardized Coefficients |            | Standardized Coefficients | t     | Sig.  |
|-------|------------------------|-----------------------------|------------|---------------------------|-------|-------|
|       |                        | B                           | Std. Error | Beta                      |       |       |
|       | (Constant)             | 18.822                      | 4.550      |                           | 4.136 | 0.000 |
|       | Substantive Competency | 0.677                       | 0.084      | 0.736                     | 8.059 | 0.000 |

a. Dependent Variable: Employee Performance

Source: Primary data processing, 2025

The results of the simple regression test between the independent variable of substantive competence (X1) and the dependent variable of performance (Y) can be seen in the significance value (Sig) in the table above, where the significance value is 0.000. Since the significance is less than 0.05 or  $0.000 < 0.05$ , it can be concluded that the substantive competence variable (X1) has a significant effect on the performance variable (Y).

- b. Testing the influence of the additional income independent variable (X2) on the employee performance dependent variable (Y)

**Table 3. Results of the Simple Linear Regression Test of the influence of the additional independent variable of income (X2) on the dependent variable of employee performance (Y)**

| Model                                       | Unstandardized Coefficients |            | Standardized Coefficients | t      | Sig.  |
|---------------------------------------------|-----------------------------|------------|---------------------------|--------|-------|
|                                             | B                           | Std. Error | Beta                      |        |       |
| (Constant)                                  | 41.372                      | 3.320      |                           | 12.462 | 0.000 |
| Additional Employee Income                  | 0.278                       | 0.065      | 0.498                     | 4.260  | 0.000 |
| a. Dependent Variable: Employee Performance |                             |            |                           |        |       |

Source: Primary data processing, 2025

The results of the simple regression test between the additional income independent variable (X2) and the performance dependent variable (Y) can be seen in the significance value (Sig) in the table above, where the significance value is 0.000. Since the significance is less than 0.05 or  $0.000 < 0.05$ , it can be concluded that the additional income variable (X2) has a significant effect on the performance variable (Y).

- c. Testing the influence of the independent variable of teamwork (X3) on the dependent variable of employee performance (Y)

**Table 4. Results of the Simple Linear Regression Test of the influence of the independent variable teamwork (X3) on the dependent variable employee performance (Y)**

| Model                                       | Unstandardized Coefficients |            | Standardized Coefficients | t     | Sig.  |
|---------------------------------------------|-----------------------------|------------|---------------------------|-------|-------|
|                                             | B                           | Std. Error | Beta                      |       |       |
| (Constant)                                  | 25.058                      | 4.856      |                           | 5.160 | 0.000 |
| Team work                                   | 0.556                       | 0.089      | 0.645                     | 6.265 | 0.000 |
| a. Dependent Variable: Employee Performance |                             |            |                           |       |       |

Sumber : Primary data processing, 2025

The results of the simple regression test between the independent variable of teamwork (X3) and the dependent variable of performance (Y) can be seen in the significance value (Sig) in the table above, where the significance value is 0.000. Since the significance is less than 0.05 or  $0.000 < 0.05$ , it can be concluded that the teamwork variable (X3) has a significant effect on the performance variable (Y).

### T Test

To see the partial influence of each independent variable on the bound variable can be explained using the t-test

**Table 5. Partial Test Results (t-Test) The effect of substantive competence on employee performance**

| Model |                        | Unstandardized Coefficients |            | Standardized Coefficients | t     | Sig.  |
|-------|------------------------|-----------------------------|------------|---------------------------|-------|-------|
|       |                        | B                           | Std. Error | Beta                      |       |       |
|       | (Constant)             | 18.822                      | 4.550      |                           | 4.136 | 0.000 |
|       | Substantive Competency | 0.677                       | 0.084      | 0.736                     | 8.059 | 0.000 |

a. Dependent Variable: Employee Performance

Source: Primary data processing, 2025

Referring to the data in the preceding table, the results of the t-test can be interpreted as the substantive competence variable (X1) concerning employee performance (Y) in Musi Rawas Regency Inspectorate achieved a tcal figure of 8.059, which exceeds ttable (57-2=56) value 2.003, with a significance value of  $0.000 < 0.05$ . the substantive competency variable has a significant impact on employee performance in Musi Rawas Regency Inspectorate.

**Table 6. Partial Test Results (t-Test) The effect of additional income on employee performance**

| Model |                            | Unstandardized Coefficients |            | Standardized Coefficients | t      | Sig.  |
|-------|----------------------------|-----------------------------|------------|---------------------------|--------|-------|
|       |                            | B                           | Std. Error | Beta                      |        |       |
|       | (Constant)                 | 41.372                      | 3.320      |                           | 12.462 | 0.000 |
|       | Additional Employee Income | 0.278                       | 0.065      | 0.498                     | 4.260  | 0.000 |

a. Dependent Variable: Employee Performance

Source: Primary data processing, 2025

Referring to the above table, the results of the t-test can be interpreted that the added variable of income (X2) towards employee performance (Y) at the Inspectorate of Musi Rawas Regency gave a calculated value of  $t \ 4.260 > t \ (57-2 = 56) \ ttable = 2,003$ , sig.  $0.000 < 0.05$ . This indicates that  $H_0$  is rejected and  $H_a$  is accepted, and furthermore, partially the additional variable of income has a significant effect on employee performance at Musi Rawas Regency Inspectorate.

**Table 7. Partial Test Results (t-Test) The effect of teamwork on employee performance**

| Model |            | Unstandardized Coefficients |            | Standardized Coefficients | t     | Sig.  |
|-------|------------|-----------------------------|------------|---------------------------|-------|-------|
|       |            | B                           | Std. Error | Beta                      |       |       |
|       | (Constant) | 25.058                      | 4.856      |                           | 5.160 | 0.000 |
|       | Team work  | 0.556                       | 0.089      | 0.645                     | 6.265 | 0.000 |

a. Dependent Variable: Employee Performance

Source: Primary data processing, 2025

Referring to the table and results presented above, it can be explained that the additional variable of income (X3) on employee performance (Y) at the Musi Rawas Regency Inspectorate obtained a tcal value of 6.265 which exceeds the ttable value of 2.003 (calculated with  $57-2=56$ ) and with a significance value of 0.000 which is less than 0.05. This indicates that  $H_0$  was rejected and  $H_a$  was accepted, thus confirming that the additional variable income X3 had a partial influence on employee performance. It can be concluded that the Musi Rawas Regency Inspectorate teamwork variable had a significant influence on employee performance.

### Moderated Regression Analysis (MRA)

The results of the Moderated Regression Analysis (MRA) test of work discipline have a role in moderating the influence of substantive competence on employee performance at the Musi Rawas Regency Inspectorate. can be seen in the table below:

**Table 8. Results of the Interaction Test Between Scientific Competency Variables and Work Discipline Moderation Variables on Employee Performance Variables**

| Model                                       | Unstandardized Coefficients |            | Standardized Coefficients | t     | Sig.  |
|---------------------------------------------|-----------------------------|------------|---------------------------|-------|-------|
|                                             | B                           | Std. Error | Beta                      |       |       |
| (Constant)                                  | 14.653                      | 4.407      |                           | 3.325 | 0.002 |
| Substantive Competency * Work Discipline    | 0.340                       | 0.106      | 0.394                     | 3.201 | 0.002 |
| a. Dependent Variable: Employee Performance |                             |            |                           |       |       |

Source: Primary data processing, 2025

Referring to the table above, it can be seen that the interaction impact value of substantive competence (X1) with work discipline (Z) has a significance value of 0.002, which is less than 0.05. Hence, it can be interpreted that the work discipline variable (Z) is able to moderate the impact of substantive competency (X1) on the performance of the employees at Musi Rawas Regency Inspectorate (Y).

**Table 9. Results of the Interaction Test Between Additional Income Variables and Work Discipline Moderation Variables on Employee Performance Variables**

| Model                                       | Unstandardized Coefficients |            | Standardized Coefficients | t     | Sig.  |
|---------------------------------------------|-----------------------------|------------|---------------------------|-------|-------|
|                                             | B                           | Std. Error | Beta                      |       |       |
| (Constant)                                  | 21.830                      | 4.422      |                           | 4.937 | 0.000 |
| Additional Employee Income* Work Discipline | 0.590                       | 0.106      | 0.685                     | 5.549 | 0.000 |
| a. Dependent Variable: Employee Performance |                             |            |                           |       |       |

Source: Primary data processing, 2025

According to the table above, the significance of the interaction variable between additional income (X2) and work discipline (Z) is 0.000 which is less than 0.05. Therefore, it can be concluded that work discipline (Z) significantly moderates the effect of additional income (X2) on the performance of employees at the Musi Rawas Regency Inspectorate.

**Table 10. Results of the Interaction Test Between Team Work Variables and Work Discipline Moderation Variables on Employee Performance Variables**

| Model                                       | Unstandardized Coefficients |            | Standardized Coefficients | t     | Sig.  |
|---------------------------------------------|-----------------------------|------------|---------------------------|-------|-------|
|                                             | B                           | Std. Error | Beta                      |       |       |
| (Constant)                                  | 19.773                      | 4.610      |                           | 4.289 | 0.000 |
| Teamwork *Work Discipline                   | 0.486                       | 0.132      | 0.564                     | 3.684 | 0.001 |
| a. Dependent Variable: Employee Performance |                             |            |                           |       |       |

Source: Primary data processing, 2025

Referring to the above table, the significance value of the interaction variable of teamwork (X3) and work discipline (Z) is  $0.001 < 0.05$ , therefore, it can be concluded that the work discipline variable (Z) is able to moderate the influence of teamwork (X3) on the performance of Musi Rawas Regency Inspectorate employees (Y).

## DISCUSSION

### **The Relationship between Substantive Competency Variables and Employee Performance Variables at the Musi Rawas Regency Inspectorate**

From the t-test analysis results, we can ascertain that the attribute of substantive competence (X1) substantially influences the employee performance (Y) of the inspectorate at Musi Rawas Regency. The t-statistic value of 8.059 is greater than the critical t-value of 2,003 (with 56 degrees of freedom) and is significant at the 0.000 level, which is well below the 0.05 threshold. This finding underscores that substantive competence influences employee performance at the Musi Rawas Regency Inspectorate in a partial and significant manner (Kjøndal & Trondal, 2021).

This conclusion corroborates the earlier studies. In the research about internal government auditors from Central Java Province, the research emphasizes that effective performance is based on mastering the auditing systems, comprehending risks, and formulating well-grounded recommendations (Rokkan & Haugland, 2021). This is important due to the technical and regulation-driven aspects of the duties performed in the Inspectorate (Ernawati, 2022). Thus, substantive competence forms a basis in the context of the employee performance within the Inspectorate. Improvement in oversight directly correlates with the enhancement of in the performing and professional efficacy of employees in the control functions of government. Improvement of such control functions should be regarded as the strategic initiative by the government of Musi Rawas Regency.

### **The Relationship between Additional Income Variables and Employee Performance Variables at the Musi Rawas Regency Inspectorate**

Based on the t-test analysis, the variable supplemental income (X2) significantly impacts the Musi Rawas Regency Inspectorate employee performance (Y). From the analysis, the t statistic ( $t = 4.260$ ) exceeds the critical t statistic of 2.003 ( $df = 56$ ). Also, the level of significance at 0.000 is below the 0.05 mark. Thus, the null hypothesis ( $H_0$ ) is rejected while the alternative hypothesis ( $H_a$ ) is accepted, which in this case, indicates that supplemental income has a significant impact on employee performance in this institution.

This aligns with previous research. (Handayani, 2020) studied income classified as performance-based and highlighted significant improvements in productivity and attendance among civil servants in the Regional Secretariat of West Java Province. Further, the studies conducted by (Peringga et al., 2023) also showcased the considerable influence of financial motivators on an employee's professional commitment. Focused on the Regional Revenue Office of Makassar and emphasized the relationship between an employee's income and individual performance, observing that the connection was more pronounced in environments with frequent appraisal and oversight. This evidences the effectiveness of a well-structured and realistic TPP system, as was noted at Musi Rawas Inspectorate.

This brings to the fore an equally important matter: the TPP systems work best in the presence of adequate professional training (Mubarak & Salam, 2021). Within this scope, additional income is understood as any income that surpasses the basic salary and is the payment corresponding to the employee's workload, attendance, and overall performance. Thus, it serves as a motivational device to be a better performer.

### **The Relationship between Teamwork Variables and Employee Performance Variables at the Musi Rawas Regency Inspectorate**

The findings from the t-test conducted indicate that the parameter of additional income (X3) has a substantial effect on employee performance (Y) in the Musi Rawas Regency Inspectorate. The analysis provided a t-value of 6.265, which is greater than the t-table critical value (2.003 with 56 degrees of freedom). In addition, the obtained level of significance was 0.000, which is far below 0.05.

The data collected from Musi Rawas Regency corroborates with prior studies on the interrelations between teams and performance across many governmental contexts. (Mendonça et al., 2020) explicated that on the higher level, effective collaborative work has a strong positive impact on productivity of employees in governmental agencies, thus drawing attention to the effectiveness of teamwork on the productivity of employees, which corroborates the underlying assumption that enables performance, efficiency, and productivity in demanding work (Mendonça et al., 2021).

Furthermore, our findings support (Tyoso et al., 2023) and others who emphasize the impact of collaboration in a group setting. Their commitment and support for each other as personnel is a distinct mechanism of improvement. This suggests that personnel in the Musi Rawas District Inspectorate are in some way dependent on teamwork in dealing with the numerous difficulties related to their inspection and evaluation functions. While numerous studies point to mediating factors such as motivation and leadership, in this case, we propose that teamwork has a more direct influence on performance (Tyoso et al., 2023, Mendonça et al., 2020).

As a final point, the analysis conducted in the Musi Rawas Regency Inspectorate demonstrates the extent to which teamwork and employee performance in public sector agencies coexist constructively. This finding has an impact for policy and management suggesting that to improve employee performance, structures of teamwork need to be strengthened across the organization.

### **The Work Discipline Variable Has a Role in Moderating the Influence of Substantive Competency on Employee Performance at the Musi Rawas Regency Inspectorate**

The interaction between substantive competence (X1) and work discipline (Z) yields a significance level of 0.002, which notably falls below the common benchmark 0.05. This suggests that work discipline (Z) distinctly moderates the influence of substantive competence (X1) on the employee's performance (Y) at the Musi Rawas Regency Inspectorate. This implies that there is a positive correlation between the level of work discipline and the impact of substantive competencies on performance results. The increase in R-square from 0.541 in Model 1 to 0.615 in Model 2 indicates that with work discipline included as a moderating variable, Model 2 explains 61.5% of the variation in employee performance with substantive competence and work discipline involved.

Additionally, these findings complement existing studies that highlight the role of discipline in enhancing productivity. In the light of these arguments, it is essential for the Inspectorate leadership to not only focus on improving employee competencies, but also to strive for achieving work discipline, which can be realized through integrity training, internal oversight, and a well-defined system of rewards and sanctions (Rahmadania & Herminingsih, 2021).

To create a fully rounded assessment, a detailed performance appraisal evaluation should also include a combination of competency and discipline. Instilling a disciplined work culture is the responsibility of all employees, and all employees must be able to utilize their technical skills in a professional and organized workplace. Discipline and high performance often go hand in hand, as does high competence, although the latter without discipline is usually counterproductive ("Di HRD," 2022). Therefore, human resource management within the

Inspectorate Center should fully integrate initiatives to develop competencies and behavioral discipline to improve performance results.

In conclusion, the results support the conclusion that work discipline is a significant moderating variable that strengthens the relationship between substantive competence and the performance of employees in the Inspectorate of Musi Rawas Regency. Even the most competent employees will underperform without the disciplined structure required to meet organizational expectations (Malik et al., 2023; Bahri, 2022)

### **The Work Discipline Variable Has a Role in Moderating the Influence of Additional Income on Employee Performance at the Musi Rawas Regency Inspectorate**

The Musi Rawas Regency Inspectorate's performance evaluation system showcased new statistical relationships when work discipline was considered a moderating variable in the impact of additional income on Musi Rawas Regency Inspectorate employees' performance. This was evidenced with the impact of income and work discipline interaction effect which was highlighted with the p-value of 0.000 which is significantly lower than the alpha 0.05 benchmark indicating work discipline did moderate the effect of additional income on the employee performance (Surajiyo et al., 2021). Moreover, the regression model's R-squared value demonstrated that 52.1% of the variance in performance after the introduction of work discipline as a moderating variable, which is a significant increase from the 24.8% reported in the model without moderation. This enhancement in the accuracy of predicting outcomes underscores the importance of work discipline in amplifying the benefits of increased income on performance outcomes (Rahmadania & Herminingsih, 2021).

Based on these findings, there is a significant gap in the need for a cohesive management approach that combines a financial incentive system with a deeply rooted discipline culture in the Inspectorate. Equally important, management needs to carry out unbiased assessments of work discipline in relation to the additional income to ultimately achieve the intended sustained employee motivation and performance. Hence, building a culture of discipline is critical if financial incentives are to function as authentic drivers for improved performance in the organization. In the end, the data highlights how important work discipline is as a moderating variable, proving that in the absence of discipline, extra income though helpful does not optimize its potential impact on the performance efficiency of workforce appraisal metrics for the Musi Rawas Regency Inspectorate.

### **The Work Discipline Variable Has a Role in Moderating the Influence of Teamwork on Employee Performance at the Musi Rawas Regency Inspectorate**

Regarding employee performance evaluation at the Inspectorate of Musi Rawas Regency, the interaction effect of teamwork (X3) and work discipline (Z) is significant, evidenced by a p-value of 0.001, which is below the alpha threshold of 0.05. These results suggest that work discipline functions as a moderating variable enhancing the impact of teamwork on employee performance (Y) (Nurrozi & Subarjo, 2023; Nanda et al., 2025). The analysis showed that the R-square value increased from 0.416 in model 1 to 0.534 in model 2, indicating that teamwork (X3) explains 53.4% of the variability in employee performance (Y) when work discipline (Z) is included in the model. This comparison demonstrates that work discipline positively moderates the relationship between teamwork and performance, reinforcing the outcomes of numerous studies that have highlighted discipline as a foundational aspect that improves the results of teamwork.

Discipline further enhances the benefits of teamwork, as research shows that disciplined work cultures more routinely foster within-team collaboration, leading to improved team outputs and overall performance (Rika et al., 2023). In the absence of work discipline, however, even good teamwork may lead to underperformance because teams may overlook important compliance and deadline structures (Sembiring & Syarifuddin, 2024). The Musi Rawas Regency

Inspectorate needs to adopt strategies that foster disciplined teamwork, as opposed to relying on informal teamwork, as these strategies may prove counterproductive to the desired outcome. Team performance in these systems, for instance, needs to be based on the outputs relative to the disciplined processes followed by team members.

Moreover, training focused on improving collaboration should include some degree of self-discipline and personal responsibility, as this will guarantee that teamwork is most productive when all members actively participate and fulfill their roles (Rika et al., 2023). This perspective is supported by research which shows that companies with a significant level of enforced work discipline enable cohesive teamwork and increase employees' productivity in a straightforward manner (Haerani & Pahlavi, 2024). Therefore, the human resource management in the Inspectorate needs to address discipline in the context of organizational culture as a foundational element that enhances collaboration and results.

## CONCLUSION

Based on the Musi Rawas Regency Inspectorate, this study concludes that a number of prominent core competencies affect employee performance. To begin, substantive competence impacts employee performance significantly and positively. This means that a thorough understanding of the organization's system-based knowledge, the relevant regulations, and applicable skills enhances effectiveness on a given formal role within the organization. Second, additional income also exerts additional influence, reinforcing the theory that financial compensation in the form of bonuses offered over and above the basic salary especially when tied to employee performance, motivate improved performance. Third and very importantly, teamwork was identified as another significant factor, reinforcing the need for, and the basis for, collaboration, communication as well as shared responsibility and accountability in achieving institutional objectives.

In addition to this, the role of work discipline comes into view as a very important moderating factor. It not only moderates the relationship, but strengthens the impact of additional income, teamwork, and substantive competence on employee performance. In particular, higher levels of work discipline strengthens the impact of these independent variables. In this situation-competencies, incentives, and teamwork. Most importantly, the findings highlight that performance improvement in the Inspectorate needs a comprehensive multi approach strategy. Enhancing work culture, discipline, and teamwork, and providing and motivating compensation, creating balance between the worked-substantial competencies to be developed within the given role, and finally, encouraging teamwork with a disciplined culture leads to better performance. These contributions, in particular to public sector institutions, especially to human resource management and designed in the form of public sector institutions, the government oversight institutions, human resource management.

## SUGGESTION

This study, like any research, has its limitations. First, as is evident, this study has a narrow scope as it looks only at Musi Rawas Regency Inspectorate. This also implies that other regional inspectorates and other government institutions are likely excluded from this study. Second, the study employs a rather simplistic approach by relying on surveys, which is predominantly quantitative, and lacks qualitative interpretation that would provide richer context. Third, the timeframe of the research was also a limiting factor, likely constraining the scope of data collection and thorough appraisal. These were the limitations of this study, but in a research looking on the same or similar subjects would be better in scope, as well as the application of mixed methods and longer study timeframe.

## RESEARCH TRANSPARENCY AND ETHICS STATEMENTS

### 1. Author Contributions:

**AM:** Conceptualization, Methodology, Data Collection, Data Analysis,

**HP:** Writing – Original Draft, Visualization, Review and Editing

**DR:** Writing – Original Draft, Visualization, Review and Editing

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### 3. Conflict of Interest:

No conflict of interest: The authors declare that they have no conflict of interest related to the research and publication of this article.

### 4. Research Ethics:

The study did not involve any intervention, biological specimens, vulnerable groups, or sensitive personal data. Participation was voluntary, and the confidentiality of the respondents was maintained.

### 5. Use of Artificial Intelligence (AI):

No use of ai. The authors declare that generative ai was not used in the preparation of this article.

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