

The Influence of Employee Competence and Organizational Culture on Service Excellence with Work Motivation as a Mediating Variable (A Case Study at the Department of Transportation, Pemalang Regency)

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Abstract: This study aims to examine how employee competence and organizational culture impact the quality of excellent service, with work motivation serving as an intervening variable. The research is motivated by the crucial role of human resources and organizational values in delivering optimal services to customers. The study population consists of civil servants employed at the Transportation Department of Pemalang Regency, totaling 79 employees. A quantitative methodology with a survey approach was utilized for this research. Data was gathered via questionnaires distributed to respondents working in public service agencies. Data analysis employed Structural Equation Modeling based on Partial Least Square (SEM-PLS), using the SmartPLS 4.0 software. The findings indicate that employee competence and organizational culture have a significant and positive effect on work motivation. Additionally, work motivation has a positive influence on the quality of excellent service. It was also found that work motivation significantly mediates the impact of employee competence and organizational culture on service quality. These results underscore the strategic role of motivation as a link between individual capabilities and organizational values in relation to service outcomes. This research presents important implications for organizational managers to prioritize the development of competencies, foster a strong work culture, and manage employee motivation to achieve sustainable excellent service.

Keywords: Employee Competence, Organizational Culture, Work Motivation, Service Excellence.

I. Introduction

1.1. Background

In a market where the demand for exceptional services is increasing, businesses must provide remarkable service that meets customer expectations while fostering long-lasting satisfaction and loyalty. Attaining service excellence is crucial for success, especially within public and service-oriented sectors, because it greatly affects how customers view and interact with services (Setiawan and Wibowo, 2021). To achieve this aim, organizations need to develop talented staff, supported by a strong corporate culture and motivated employees.

The expertise of employees is vital for enhancing service quality. Their capabilities encompass the essential knowledge, skills, and attitudes necessary for their roles. Research conducted by Rahayu and Subekti (2020) indicates a clear link between higher skill levels and increased productivity at work, resulting in better service quality.

When employees do not possess adequate skills, their performance can decline, leading to poor customer interactions. The internal culture of a business greatly influences employee behavior, alignment of values, and compliance with performance standards. A healthy organizational culture fosters a positive atmosphere, enhances teamwork, and increases employee dedication to delivering excellent service (Puspitasari and Sari, 2021). A vibrant culture also promotes a shared understanding of service quality, ensuring that everyone's efforts are in sync with the organization's goals.

While it is understood that skills and corporate culture impact service quality, their effects are often mediated by employee motivation. Motivation acts as an internal factor that affects the effort an individual puts into their work (Wulandari and Ghazali, 2020). Employees with skills in a supportive atmosphere may still find it challenging to excel without sufficient motivation. Therefore, understanding employee motivation as a crucial mediating factor is essential to comprehend how skills and culture contribute to service excellence. Previous research underscores the need to integrate these components. Hermawan et al. (2021) found that workplace motivation serves as a mediator in the connection between corporate culture and service performance within the public sector. Similarly, Supriyanto and Maharani (2022) highlighted that motivation strengthens the relationship between skills and service quality.

This suggests the importance of analyzing the connections between employee skills, organizational culture, and service quality collectively. Examining work motivation as a mediator is vital for gaining a comprehensive understanding of service quality advancements in organizations. Earlier studies have demonstrated that both employee skills and corporate culture play significant roles in boosting service quality (Rahayu and Subekti, 2020; Puspitasari and Sari, 2021). High levels of competence enable employees to carry out their functions effectively, while a solid corporate culture fosters behaviors that lead to outstanding service. However, additional research indicates that motivation has a direct effect on service performance and productivity (Wulandari and Ghazali, 2020).

Nevertheless, there is a shortage of direct investigations into how work motivation serves as a mediating or intervening factor in the relationship between competencies and organizational culture regarding service quality. Most

prior studies have focused predominantly on the direct relationships among these elements, overlooking the psychological aspects that connect their effects on service outcomes (Hermawan et al. , 2021). Indeed, motivation can serve as a catalyst that converts skills into remarkable performance and reinforces an organization's cultural values into a commitment to providing high-quality service (Supriyanto and Maharani, 2022). Moreover, in sectors focused on public service or service delivery, interactions among organizations and individuals can be complex, making it necessary to apply models that integrate mediating variables for a better understanding of fundamental causal relationships (Setiawan and Wibowo, 2021).

Therefore, a significant gap exists in the current literature—specifically, the need for comprehensive research that examines how work motivation mediates the effects of employee competence and organizational culture on achieving service excellence, especially in organizations that prioritize high-quality service and consistent customer satisfaction.

1.2. Problem Formulation

Organizations striving to improve service excellence face challenges in managing their human resources, particularly regarding employee skills and the prevailing corporate culture. Although numerous studies imply that both competency and organizational culture influence service quality, the findings often vary due to the impact of different psychological and organizational factors.

Work motivation emerges as a potential element that ties this influence together, playing a vital role in aligning employees' internal capabilities with effective, service-oriented actions. In this context, there is a lack of research that explores the role of work motivation as a mediating factor between competence and organizational culture in the realm of service excellence—particularly in organizations that prioritize high service standards. Thus, this study aims to address the following research questions:

- 1) Does employee competence influence service excellence?
- 2) Does organizational culture affect service excellence?
- 3) Does employee competence impact work motivation?
- 4) Does organizational culture affect work motivation?
- 5) Does work motivation influence service excellence?
- 6) Does work motivation mediate the relationship between employee competence and service excellence?
- 7) Does work motivation mediate the relationship between organizational culture and service excellence?

1.3. Research Objectives

In general, this study aims to investigate and clarify how employee skills and company culture affect service quality, taking into account the role of work motivation as a mediating variable. The goal of this research is to gain a better understanding of how these factors interact to enhance service quality in organizations.

Specifically, this study intends to:

1. Examine the effect of employee skills on service quality.
2. Examine the impact of organizational culture on service quality.
3. Investigate how employee skills influence work motivation.
4. Investigate how organizational culture impacts work motivation.
5. Explore the relationship between work motivation and service quality.
6. Examine how work motivation acts as a mediator between employee skills and service quality.
7. Investigate how work motivation mediates the relationship between organizational culture and service quality.

1.4. Research Benefits

1.4.1. Theoretical Benefits

This study is anticipated to enhance knowledge in the realms of human resource management and organizational behavior by clarifying how internal organizational aspects like employee skills and company culture affect service quality, with work motivation serving as a mediating factor.

Theoretically, this research aims to:

1. Broaden theoretical frameworks in HR management and organizational studies by framing work motivation as a mediating factor in the connection between individual traits (skills) and organizational traits (culture) leading to service performance results.
2. Support established theories, such as Vroom's Expectancy Theory, which highlights motivation as essential for achieving high performance, and the Resource-Based View (RBV), which regards skills and culture as valuable organizational assets.
3. Provide a new conceptual model for scholars to explore service quality using a more comprehensive approach, focusing not only on direct relationships among variables but also considering the psychological aspects of employees in this process.

4. Act as a reference point for future studies, especially in developing new models that connect individual, organizational, and motivational elements to achieve service excellence.

1.4.2. Practical Benefits

This study is also expected to offer practical insights for various stakeholders to enhance human resource management effectiveness and service quality within organizations. The practical contributions of this research include:

1. **For Organizational Management**
The results can inform the creation of strategies aimed at improving employee skills through specific training, education, and career growth initiatives to promote service excellence.
2. **For Advancing Organizational Culture**
The findings may be leveraged to reinforce positive cultural values such as service orientation, collaboration, and dedication to customer satisfaction, thereby creating a workplace environment conducive to outstanding service.
3. **For Enhancing Employee Motivation**
This study provides valuable information for organizations about the significance of fostering work motivation through incentive systems, employee involvement, and cultivating an encouraging work atmosphere as a crucial factor in driving quality service behaviors.
4. **For Unit or Division Leaders**
The research can serve as a resource for assessing how internal organizational elements contribute to meeting service excellence standards and for pinpointing areas requiring improvement through more focused management strategies.
5. **For Decision Makers**
The results could serve as useful guidance for officials in both government and business sectors when developing human resources and workplace culture strategies that support enhancements in service quality, particularly in light of rising competition.

II. Literature Review

2.1. Service Quality

Parasuraman, Zeithaml, and Berry (cited in Ariyanti, 2020) describe service quality as the gap between what customers expect and how they perceive the actual service they receive. Tjiptono (cited in Setyowati and Pramono, 2021) points out that service quality reflects how well the anticipated level of excellence is managed to satisfy customer needs. Zeithaml and colleagues (noted in Nurhayati, 2022) define service quality as the general evaluation by customers of the key characteristics of the service, highlighting five important aspects: reliability, responsiveness, assurance, empathy, and tangibility. Lupiyoadi (cited in Susanti, 2023) explains that service quality represents an organization's commitment to precisely fulfilling customer needs and desires, aiming to meet or surpass their expectations.

The definitions presented indicate that service quality is viewed as the perceived level of service excellence, assessed by comparing customer expectations with the actual service delivered. This perception is shaped by how effectively customer needs are addressed, the correctness of the service rendered, and essential attributes such as reliability, responsiveness, assurance, empathy, and tangibility.

As per Zeithaml et al. (noted in Nurhayati, 2022), the aspects of service quality include:

1) Tangibles

This relates to the physical aspects of the facilities, tools, staff, and communication materials.

Indicators consist of:

- a) The service areas are clean and properly maintained
- b) Staff presents themselves neatly, courteously, and professionally
- c) Modern technology and equipment are utilized.
- d) The service setting is inviting and orderly

2) Reliability

This refers to the consistency and accuracy in delivering services as promised.

Indicators include:

- a) Services are provided as promised
- b) Services are consistently delivered
- c) Services arrive to customers as scheduled
- d) Staff is dependable in addressing customer issues

3) Responsiveness

This involves the readiness to assist customers and deliver prompt service.

Indicators include:

- a) Staff responds quickly to inquiries or problems

- b) Employees proactively offer help.
- c) Customers can easily reach service personnel
- d) Customers do not experience long waits for services

4) Assurance

This covers the knowledge and politeness of staff while also fostering trust and confidence.

Indicators include:

- a) Staff treats customers with importance and consideration
- b) Employees are well-versed in products or services
- c) Customers feel secure throughout the service process
- d) Staff communicates information clearly and understandably

5) Empathy

This reflects the ability to offer personalized and compassionate service to customers.

Indicators consist of:

- a) Employees demonstrate genuine concern for each customer
- b) Services are customized to address individual customer needs
- c) Staff is friendly and thoughtful
- d) Customers feel valued and recognized

This Study Given the prior discussion, this study will include the following indicators of service quality:

- 1) Reliability (the capacity to consistently and precisely provide services)
- 2) Responsiveness (the speed and eagerness to fulfill customer requirements)
- 3) Assurance (the competence and reliability of service staff)
- 4) Empathy (the level of care and attention afforded to customers)
- 5) Tangibles (the physical elements of facilities, equipment, and overall comfort of the service environment)

2.2. Work Motivation

Handoko (as referenced in Rahmawati and Suharto, 2020) describes work motivation as a combination of internal and external factors that ignite a person's drive and dedication to enhance their effectiveness in their job. Hasibuan (as stated in Setiawan and Lestari, 2021) highlights that work motivation serves as a key influence that motivates individuals to undertake tasks aimed at reaching specified objectives, particularly in a work environment. Robbins and Judge (as mentioned in Putra and Maharani, 2022) explain that motivation is a process that articulates the degree of effort, focus, and resolve a person demonstrates to achieve work-related goals. Likewise, Mangkunegara (as cited in Sari and Nugroho, 2023) points out that work motivation affects, inspires, and guides personal initiatives towards fulfilling organizational aims.

These definitions imply that work motivation encompasses both internal and external incentives that initiate, guide, and maintain work behavior, facilitating the successful achievement of both individual and organizational objectives.

Robbins and Judge (as referenced in Putra and Maharani, 2022) emphasize again that motivation is characterized by the level of effort, commitment, and perseverance directed towards attaining work-related goals.

1) Intensity

This indicates how energetically a person works to accomplish their responsibilities.

Indicators:

- a) I put in significant effort to fulfill my work tasks.
- b) I am prepared to make additional efforts to reach work goals.
- c) I display a high level of enthusiasm when performing my job.

2) Direction

This pertains to whether the efforts are aligned with the organization's objectives.

Indicators:

- a) I focus my work efforts on essential job functions.
- b) I comprehend the organization's goals and relate them to my responsibilities.
- c) I prioritize tasks that have a substantial effect on my team or department.

3) Persistence

This reflects the length of time a person continues their efforts despite facing difficulties.

Indicators:

- a) I persist in completing my tasks, even when encountering obstacles.
- b) I do not easily surrender when under work pressure.
- c) I am committed to thoroughly completing my obligations.

Based on the concepts outlined above, this analysis employs the following indicators to assess work motivation:

- 1) Enthusiasm for work or intensity (strong dedication to completing tasks)
- 2) Direction of work and alignment with goals (focus on both personal and organizational objectives)
- 3) Persistence and accountability (consistent efforts to overcome work challenges)
- 4) Aspiration for success and personal growth (desire to excel and improve)
- 5) Job satisfaction and loyalty (feeling of accomplishment and commitment to the organization)

2.3. Employee Competence

Spencer and Spencer (as cited in Prasetyo and Hartati, 2020) define competence as the inherent traits within an individual related to achieving effective or exceptional outcomes in job performance or specific scenarios. Mangkunegara (as referenced in Lestari and Nurhadi, 2021) elaborates that competence is a crucial factor that greatly affects or predicts a person's work performance. Sedarmayanti (as stated in Fauzan and Rahma, 2022) describes competence as the abilities and qualities utilized by an individual to effectively perform job-related tasks and responsibilities. Wibowo (as mentioned in Amelia and Sutrisno, 2023) asserts that competence indicates each individual's capability to work, incorporating knowledge, skills, and work attitudes that fulfill established criteria.

From this information, we can conclude that employee competence comprises a combination of observable and measurable traits—such as knowledge, skills, and work attitudes—that directly impact one's ability to perform tasks effectively and professionally in accordance with company standards.

As noted by Wibowo (as cited in Amelia and Sutrisno, 2023), competence includes the essential knowledge, skills, and attitudes required for efficiently executing responsibilities in line with organizational expectations.

1) Knowledge

Refers to the understanding and information a worker possesses regarding their job or responsibilities.

Indicators:

- a) Has a thorough understanding of job roles and responsibilities.
- b) Is well-informed about company policies and procedures.
- c) Effectively applies knowledge to resolve work-related issues.
- d) Knows the performance standards and goals to achieve.

2) Skills

Encompasses both technical and interpersonal abilities necessary for effective task execution.

Indicators:

- a) Completes tasks in a timely and efficient manner.
- b) Utilizes necessary tools, systems, or technologies relevant to the role.
- c) Communicates and collaborates successfully with colleagues.
- d) Adjusts to evolving job demands and environments.

3) Work Attitude

Represents positive behaviors that indicate commitment and accountability towards work.

Indicators:

- a) Demonstrates discipline and responsibility in job tasks.
- b) Takes initiative and is proactive in fulfilling responsibilities.
- c) Maintains professionalism and strong work ethics.
- d) Welcomes constructive criticism and is keen to enhance performance.

Based on the evaluation provided, the indicators of employee competence included in this study are:

- 1) Knowledge (understanding relevant data and theories related to the job)
- 2) Skills (technical and non-technical capabilities for completing tasks)
- 3) Work Attitude (commitment, discipline, and adherence to professional standards)
- 4) Adaptability or task execution (ability to respond to job changes and challenges)
- 5) Professionalism or work standards (compliance with procedures, quality, and organizational expectations)

2.4. Organizational Culture

Robbins and Judge, as mentioned by Fitriani and Hidayat in 2020, describe organizational culture as a shared perspective among individuals in a group that sets one organization apart from others. Schein, as referenced by Wulandari and Saputra in 2021, depicts organizational culture as a fundamental set of beliefs that a group recognizes, nurtures, or develops to confront issues both inside and outside the organization. Additionally, Cameron and Quinn (as noted by Saputro and Lestari in 2022) indicate that organizational culture consists of important values that organizations embrace, which can be categorized into four primary types: clan, adhocracy, market, and hierarchical cultures. Ivancevich and his co-authors, per Amelia and Prabowo in 2023, suggest that organizational culture includes a commonly accepted array of beliefs, values, and practices within a company that influences how its members act.

From these varied definitions, one can infer that organizational culture represents a collective set of values, beliefs, norms, and behaviors that are broadly acknowledged by the organization's members. This compilation impacts their perspectives, attitudes, and actions, thereby shaping the organization's identity and influencing its dynamics and effectiveness.

According to Cameron and Quinn's overview as discussed by Saputro and Lestari in 2022, the Competing Values Framework (CVF) categorizes organizational culture into four critical types, each marked by distinctive characteristics:

1. Clan Culture (Internal-Flexible)

Organizations that prioritize involvement, collaboration, and personal development.

Key characteristics:

- a) The atmosphere is supportive and community-oriented.
- b) Leaders serve as mentors and advisors.
- c) Teamwork and collaboration are of high importance.
- d) The organization fosters employee loyalty and participation.

2. Adhocracy Culture (External-Flexible)

Organizations that focus on creativity, innovation, and adaptability.

Key characteristics:

- a) They create an environment conducive to brainstorming and testing ideas.
- b) Leaders encourage proactive involvement and initiative among staff.
- c) Employees are inspired to explore new concepts and methods.
- d) Personal growth and individuality are highly valued.

3. Market Culture (External-Controlled)

Organizations that emphasize outcomes, productivity, and goal achievement.

Key characteristics:

- a) The main goal is to accomplish specific objectives and milestones.
- b) Employees are motivated to seek success and engage in competition.
- c) Leadership concentrates on offering guidance and achieving results.
- d) Customer satisfaction and performance metrics are prioritized.

4. Hierarchy Culture (Internal-Controlled)

Organizations that stress stability, consistent procedures, and efficiency.

Key characteristics:

- o The organizational structure is clearly defined.
- o Work processes adhere to set procedures and standards.
- o Decision-making is methodical and orderly.
- o Leaders focus on management and enhancing operational efficiency.

Through this framework, the research highlights several important elements of organizational culture:

1. Shared values and beliefs (the principles upheld by the members of the organization)
2. Work norms and practices (the unwritten guidelines that influence member behavior)
3. Leadership styles and interaction dynamics (the relationships between leaders and staff within the organization)
4. Commitment and loyalty to the organization (the feeling of belonging and responsibility for its success)
5. Work orientation (the focus on innovation, results, procedures, or teamwork), which plays a crucial role in shaping behavioral patterns within the organizational culture.

III. Relationship Among Variables

3.1. The Influence of Employee Competence on Service Excellence

Employee competence encompasses the blend of knowledge, skills, and attitudes necessary for effectively carrying out job responsibilities. Strong competence allows employees to:

- 1) Clearly identify customer requirements
- 2) Deliver timely and professional service options
- 3) Communicate in an effective and empathetic manner
- 4) Adjust service behaviors based on expectations and contexts

Thus, a high level of employee competence is recognized as a crucial element in achieving service excellence—marked by swift, friendly, precise, and consistently satisfying service. Rahmawati and Setyawan (2020) assert that skilled employees have a significant impact on the quality of service since they can meet customer expectations. Indrawati and Sari (2021) also indicate that workers with adequate knowledge and skills are more likely to offer services that are responsive, accurate, and adhere to standards. Yuliani and Wicaksono (2022) discovered that competence levels notably influence service excellence, especially regarding reliability and responsiveness. Harahap

and Zulfa (2023) highlight that the quality of service is profoundly affected by the technical skills and professional attitudes of employees when they engage with customers.

From these observations, it can be deduced that capable employees provide services that are quick, precise, courteous, and professional, consequently enhancing service excellence. Without adequate competence, it becomes challenging to uphold consistent service standards.

The hypothesis put forward in this research is as follows:

H1: Employee competence has a beneficial and significant impact on service excellence.

3.2. The Impact of Organizational Culture on Service Excellence

Organizational culture is the collection of values, norms, beliefs, and practices that influence behavior and decision-making in a workplace. A strong and positive organizational culture can foster a work environment that:

- 1) Highlights the significance of satisfying customers
- 2) Motivates employees to be friendly, responsive, and accountable
- 3) Establishes reliable standards for work conduct
- 4) Reinforces dedication to providing excellent service

Consequently, organizational culture is essential in shaping employees' mindsets and attitudes when serving both external and internal customers. According to Widiyanto and Marlina (2020), a customer-focused and adaptable culture greatly enhances service excellence. Employees functioning in a robust cultural setting tend to display greater discipline and attention to customer needs (Suryana and Hapsari, 2021). Additionally, Nugroho and Wahyuni (2022) claim that cultural principles like accountability, punctuality, and dedicated service impact the caliber of service offered by employees. Dewi and Prasetya (2023) also point out that service excellence can arise from a workplace culture that champions service attitudes, transparency, and accountability.

Drawing from these insights, it is apparent that organizational culture significantly affects service excellence by laying the groundwork for how employees behave in service delivery. A culture centered on customer focus, professionalism, and collaboration will result in high and dependable service standards.

The hypothesis presented in this study is as follows:

H2: Organizational culture has a positive and significant effect on service excellence.

3.3. The Impact of Employee Competence on Work Motivation

Employee competence, which covers knowledge, skills, and work attitude, has a notable effect on work motivation for several reasons:

- 1) Competent employees are generally more self-assured in completing tasks, boosting their motivation to excel.
- 2) Skills improve self-belief in one's ability to successfully complete tasks, which ultimately boosts the motivation to achieve.
- 3) When workers feel they can meet job expectations, they are more likely to discover meaning in their tasks, which enhances internal motivation.
- 4) Skills enable workers to receive acknowledgment and advancement in their careers, which strengthens external motivation.

According to Putri and Nugroho (2021), possessing good skills empowers employees to effectively handle their responsibilities, thereby motivating them to exert more effort. Hidayat and Suryani (2020) also suggest that having job-related skills positively impacts motivation by fostering feelings of competence, pride, and appreciation in their roles. Wibowo (2022) points out that employees with strong skills show greater self-assurance and take ownership of their responsibilities, which positively influences their motivation to perform at their best. Additionally, Ramadhani and Fitria (2023) discovered that the level of skill impacts how challenged and excited employees feel when working on tasks, showing that skills play a direct role in boosting motivation at work.

From these findings, it is clear that employee skills have a positive and significant impact on work motivation, both directly (through enhanced confidence and capability) and indirectly (via recognition and career growth). Consequently, fostering employee skills is a strategic approach to increasing motivation in a workplace setting.

The hypothesis proposed in this study is as follows:

H3: Employee skills have a positive and significant impact on work motivation.

3.4. The Effect of Organizational Culture on Employee Motivation

A strong and positive workplace culture creates an atmosphere that enhances employee motivation. When a company's culture emphasizes transparency, collaboration, recognition, and individual growth, it inspires employees to:

- 1) Appreciate their worth and significance within the organization
- 2) Develop a sense of loyalty and commitment
- 3) Be motivated to actively work towards shared goals

- 4) Align their personal values with those of the organization, thereby increasing intrinsic motivation

As highlighted by Wulandari and Saputra (2021), an organization's culture contributes to feelings of safety, pride, and comfort, which positively influences employee motivation. Strong cultural traits—such as clear communication and recognition of performance—significantly boost motivation in the workplace (Fitriani and Hidayat, 2020). Moreover, Saputra and Lestari (2022) point out that certain types of organizational cultures, like clan and adhocracy, correlate positively with increased motivation by fostering involvement and innovation. Furthermore, Amelia and Prabowo (2023) argue that a healthy organizational culture cultivates a work environment that increases enthusiasm, loyalty, and initiative among employees. From the insights gathered above, one can conclude that a strong and positive organizational culture has a direct effect on motivation at work, as it creates a supportive atmosphere, reinforces organizational values, and deepens employees' emotional ties to the organization.

The hypothesis proposed in this research is as follows:

H4: Organizational culture has a positive and significant effect on work motivation.

3.5. The Effect of Work Motivation on Service Quality

Work motivation includes the internal and external factors that fuel an individual's enthusiasm, effort, focus, and persistence in reaching work-related goals. Employees who are highly motivated usually:

- 1) Deliver outstanding service as they consider their roles meaningful and important
- 2) Have a greater awareness of customer needs and satisfaction
- 3) Exhibit positive traits like accountability, patience, and initiative
- 4) Strive to improve the quality and efficiency of service delivery

Thus, work motivation is vital for achieving high service excellence, characterized by prompt, accurate, friendly, consistent, and satisfying service. According to Putri and Hidayat (2020), motivated employees display higher levels of professionalism and accountability, which leads to better service quality. Nugroho and Pratiwi (2021) state that strong motivation encourages employees to give their best, enhancing responsiveness and reliability in service delivery. Yuliana and Damar (2022) found that quality of service is significantly influenced by enthusiastic work, initiative, and employee loyalty, all stemming from motivation. Similarly, Amelia and Fauzan (2023) assert that motivated employees, whether intrinsically or extrinsically driven, are more likely to deliver meaningful and trustworthy services.

From these findings, it can be inferred that strong work motivation improves service excellence by encouraging employees to:

- 1) Approach their tasks with enthusiasm
- 2) Provide service with a positive attitude
- 3) Focus on customer satisfaction
- 4) Maintain consistency in service quality

The hypothesis proposed in this study is as follows:

H5: Work motivation has a positive and significant effect on service excellence.

3.6. Work Motivation as a Mediating Factor in the Connection Between Employee Competence and Service Excellence

Employee competence, which includes knowledge, skills, and attitude towards work, can greatly enhance service quality. However, this influence is further amplified when employees also demonstrate strong motivation at work. In this context, work motivation serves as a mediator for two key reasons:

- 1) Competence fosters confidence and readiness for the job, which boosts motivation.
- 2) Employees who perceive themselves as skilled are generally more enthusiastic and eager to provide outstanding service.
- 3) Increased motivation encourages employees to be more observant, take initiative, and maintain a pleasant demeanor during service interactions, thereby enhancing service quality.

Thus, work motivation not only connects but also amplifies the influence of competence on service quality. As noted by Sari and Prasetyo (2021), work motivation acts as a mediator between competence and service quality, where improved abilities lead to a stronger work ethic, resulting in superior service. Similarly, Fadillah and Wibowo (2022) emphasize that competence increases motivation, which ultimately determines the level of service quality provided to the community. Additionally, Putra and Handayani (2020) found that the relationship between competence and service excellence is indirect and facilitated by work motivation acting as a mediating factor.

From these observations, it is clear that work motivation plays a critical mediating role between employee competence and service quality in the following ways:

- a) Competence → enhances motivation → results in higher service quality
- b) Having competence alone, without sufficient motivation, may not guarantee quality service delivery

The hypothesis presented in this research is as follows:

H6: Work motivation serves as a mediator for the effect of employee competence on service quality.

3.7. Work Motivation as a Mediator in the Relationship Between Organizational Culture and Service Excellence

Organizational culture encompasses the shared values, beliefs, norms, and behaviors of its members. A robust and affirmative culture fosters an environment that:

- a) Encourages collaboration, dedication, and a focus on customers
- b) Inspires a passion for work and boosts employee engagement
- c) Acts as a framework for attitudes and actions in service delivery

Work motivation serves as a bridge in this relationship because:

1. A nurturing organizational culture that appreciates its employees can uplift their motivation by cultivating a sense of belonging, providing direction, and delivering acknowledgment.
2. Strong motivation propels employees to perform at their best, ensuring they provide swift, friendly, and reliable service.
3. Inadequate motivation may prevent even a favorable work environment from achieving exceptional service.

Fauziah and Prasetya (2020) indicated that organizational culture impacts service quality in an indirect manner through work motivation, which plays a mediating role. Lestari and Nurcahyo (2021) detailed how cultural elements like recognition, transparent communication, and clearly defined responsibilities elevate motivation, thereby improving service quality. Wijaya and Astuti (2022) further observed that a positive work atmosphere significantly enhances employee enthusiasm, enabling them to deliver excellent service.

Considering these insights, it can be concluded that work motivation is a crucial mediating element that connects organizational culture with service excellence. This can be represented as:

- a) Organizational culture → boosts work motivation → affects service quality
- b) A supportive culture by itself cannot guarantee service excellence without adequate employee motivation.

The hypothesis suggested in this research is: H7: Work motivation acts as a mediator between organizational culture and service excellence. From the introductory remarks and the review of existing studies, the following empirical model can be formulated:

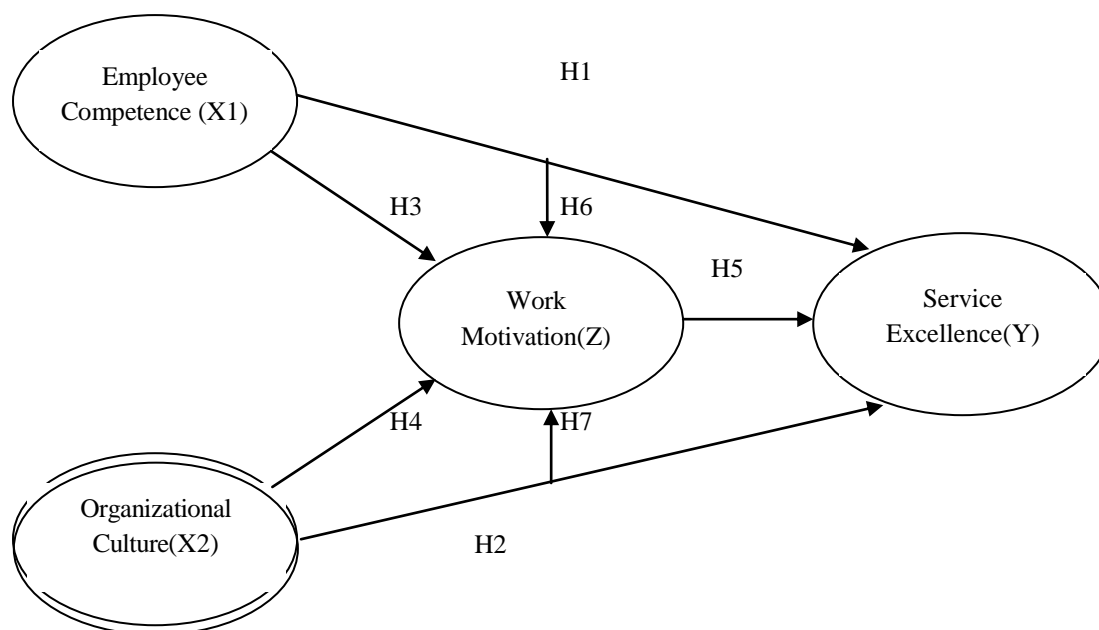


Figure 1: Empirical Model

IV. Research Method

4.1. Type of Research

This research is a quantitative causal-comparative study designed to assess the influence of independent factors (employee skills and workplace culture) on the dependent factor (service quality), with work motivation acting as a

mediating factor. It uses an explanatory methodology to clarify cause-and-effect connections among variables by testing hypotheses with statistical methods.

Sukardi (2020) notes that explanatory quantitative research aims to clarify causal links among variables through empirical testing of hypotheses. Sugiyono (2021) emphasizes that a quantitative framework is ideal for studies that are objective and aim to yield widely applicable results.

4.2. Data Sources

This study relies on two categories of data sources:

1) Primary Data

Primary data were gathered directly from participants by distributing closed-ended surveys to employees at the Department of Transportation in Pemalang Regency. Participants shared their perceptions regarding skills, workplace culture, motivation at work, and service quality.

2) Secondary Data

Secondary data were sourced through document reviews, internal records, and literature surveys of relevant materials, including academic articles, textbooks, local regulations, and the organization's yearly reports.

As Arikunto (2020) explains, primary data are gathered directly from their initial source, contrasting with secondary data, which comes from pre-existing documents and is utilized to aid in analysis.

4.3. Operational Definition of Variable

The operational definition can be explained in the following table:

No	Variable	Operational Definition of Variables	Indicator
1.	Employee Competence (X1)	he abilities of employees involve a combination of natural characteristics, including knowledge, skills, and professional attitudes, which can be measured and have a direct effect on their ability to fulfill their duties efficiently and in line with the organization's guidelines.	1. Knowledge 2. Skills 3. Work attitude 4. Ability to adapt or complete tasks 5. Professionalism or work standards
2.	Organizational Culture (X2)	The culture within an organization is a collection of shared values, beliefs, standards, and practices that group members adhere to. It acts as a foundation for thoughts, behaviors, and actions, influencing identity and affecting the organization's performance and interactions.	1. Shared values and beliefs 2. Work norms and habits 3. Leadership styles and ways of interaction 4. Commitment and loyalty to the organization 5. Work orientation
3.	Work Motivation (Z)	Motivation at work comprises both internal and xternal influences that encourage, direct, and shape an individual's behavior and increase their involvement in work activities.	1. Enthusiasm or work intensity 2. Direction and objectives of work 3. Perseverance and responsibility
4.	Service Excellence (Y)	High-quality service is defined as the superior level of service perceived by customers, evaluated by contrasting their expectations with the actual service provided. This is achieved by accurately fulfilling needs, delivering on time, and emphasizing crucial elements such as reliability, responsiveness, assurance, empathy, and tangible evidence.	1. Reliability 2. Responsiveness 3. Assurance 4. Empathy 5. Tangible evidence and facilities

Source: Processed Primary Data, 2025

Table 1: Operational Definition of Variables

4.4. Population and Research Sample

4.4.1. Research Population

This study centers on all civil servants (Aparatur Sipil Negara/ASN) working in the Transportation Department of Pemalang Regency, totaling 79 employees. This group is considered limited and homogeneous, as all individuals belong to the same organization and share similar job roles. Sugiyono (2021:117) describes a population as a broad category that includes objects or subjects with specific characteristics recognized by the researcher for analysis, from which conclusions will be drawn.

4.4.2. Research Sample

The research encompasses the entire group of civil servants (ASN) at the Transportation Department of Pemalang Regency, which consists of 79 individuals. Given that the population is quite small and can be thoroughly assessed, saturated sampling, also known as a census, is the selected method.

This technique entails involving every individual from the population in the research sample without omitting anyone. The purpose of employing this approach is to achieve a comprehensive and accurate representation of the issue being studied, particularly regarding the influence of employee competence and organizational culture on service quality, with work motivation acting as a mediating aspect.

Sampling Techniques

The method employed is known as saturated sampling (census), where every member of the population is utilized as a sample when the population size is relatively small and can be completely reached. According to Sanusi (2020:92), saturated sampling is a technique for selecting samples when all members of the population are included, typically for populations below 100 individuals.

4.5. Inferential Analysis

Inferential testing is a statistical technique used to make conclusions or forecasts regarding a population based on data collected from a sample. The aim is to assess whether the findings from the sample can be extended to the entire population or to a larger group. The analysis is conducted using SmartPLS version 4 software, which employs Partial Least Squares (PLS) methods and Variance-based Structural Equation Modeling (SEM). PLS is a technique for examining relationships between variables within complex models, while SEM is utilized to evaluate causal relationships among the involved variables. Figure 2 displays the latent variable model that will be analyzed in this study.

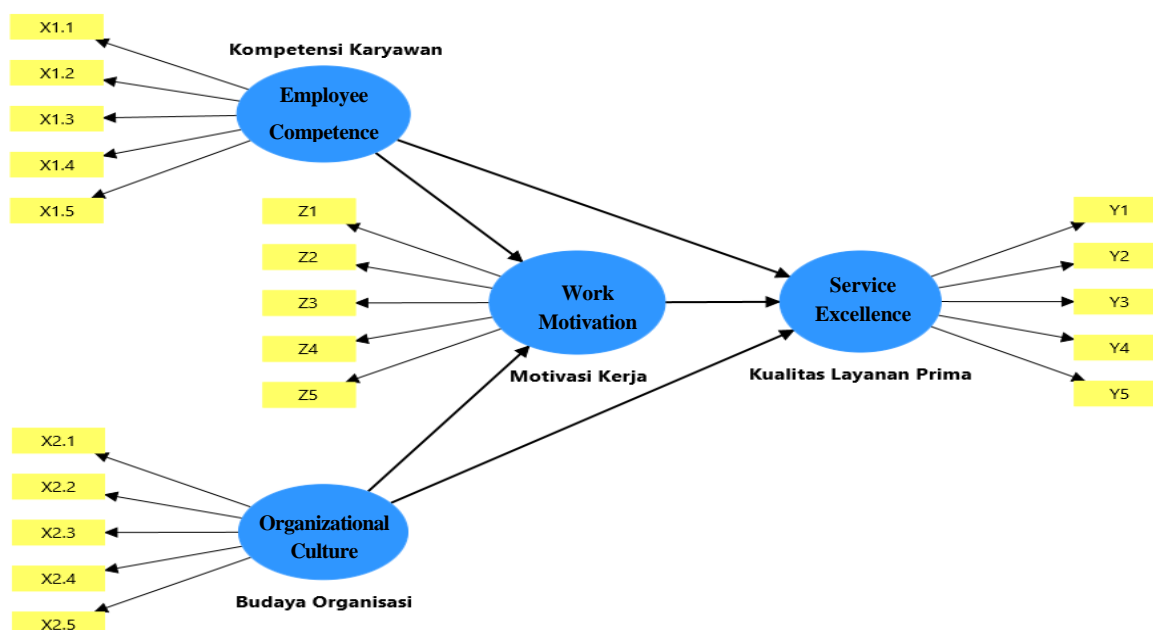


Figure 2: Model *Latent Research Variable* Instrument Test

There are two phases involved in evaluating the research model: the Outer Model and the Inner Model. The Outer Model is concerned with the credibility and dependability of the indicators utilized to assess latent variables by verifying Convergent Validity, Discriminant Validity, and Construct Reliability. The Inner Model looks into the connections among latent variables and evaluates the intensity and importance of these connections through metrics like R^2 values, path coefficients, and path significance.

4.5.1. Outer Model

The outer model centers on the correlations between latent variables and their corresponding indicators. The aim of this analysis is to confirm that the tools utilized for evaluating latent variables exhibit a high level of validity and reliability. There are three main evaluations within the outer model: Convergent Validity, Discriminant Validity, and Construct Reliability.

4.5.1.1. Convergent Validity

Convergent validity is evaluated using two benchmarks: the loading factor values and the Average Variance Extracted (AVE).

1) Loading Factor Values

The outer loading output is calculated based on the relationship between indicator scores (instruments) and their associated constructs (latent variables). An indicator is deemed valid if it demonstrates a correlation value exceeding 0. 70 (Hamid and Anwar, 2019; Savitri et al., 2021). Any indicator that falls short of this criterion should be eliminated from the model. The findings from the initial stage of the convergent validity test in this research are presented in table 2.

	Organizational Culture	Employee Competence	Service Excellence	Work Motivation
X1.1		0.824		
X1.2		0.874		
X1.3		0.903		
X1.4		0.874		
X1.5		0.823		
X2.1	0.905			
X2.2	0.936			
X2.3	0.955			
X2.4	0.901			
X2.5	0.837			
Y1			0.863	
Y2			0.918	
Y3			0.924	
Y4			0.832	
Y5			0.781	
Z1				0.882
Z2				0.822
Z3				0.830
Z4				0.752
Z5				0.872

Source: Processed Primary Data, 2025

Table 2: Results *Outer Loading Test Convergent Validity Stage1*

The results of the loading factor for each element—such as employee abilities, organizational environment, work motivation, and service quality—show that all statements possess a loading value greater than 0. 70. Consequently, any indicator with loading values of 0. 70 or more is considered valid.

2) Average Variance Extracted (AVE)

The findings from the Average Variance Extracted (AVE) assessment are shown in Table 3. A variable is acknowledged as showing strong convergent validity when its AVE value exceeds 0. 50 (Haryono, 2016).

	Average Variance Extracted (AVE)
Organizational Culture	0.824
Employee Competence	0.740
Service Excellence	0.748
Work Motivation	0.693

Source: Processed Primary Data, 2025

Table 3: AVE Test Results *Convergent Validity*

The AVE values for each variable are as follows: Organizational Culture = 0.824, Employee Competence = 0.740, Service Excellence = 0.748, and Work Motivation = 0.693. Since all four variables have AVE values ≥ 0.50 , they are categorized as valid in terms of convergent validity.

4.5.1.2. Discriminant Validity

Discriminant validity is important to confirm that each variable or construct in the measurement framework accurately represents a separate idea and does not share commonality with other constructs. Essentially, discriminant validity examines how distinct various constructs are from each other within the model.

Discriminant validity can be assessed through one of three methods: cross loading values, the Fornell-Larcker criterion, and correlations among latent variables. However, what will be used in this research is Cross Loading.

An indicator or item is deemed valid if the correlation with its corresponding construct (cross loading value) exceeds its correlation with other constructs (Wiyono, 2020). The outcomes of the cross loading evaluation were analyzed using Smart PLS version 4, and are summarized in the following table.

	Organizational Culture	Employee Competence	Service Excellence	Work Motivation
X1.1	0.837	0.824	0.815	0.879
X1.2	0.845	0.874	0.745	0.786
X1.3	0.743	0.903	0.629	0.659
X1.4	0.733	0.874	0.647	0.656
X1.5	0.720	0.823	0.661	0.616
X2.1	0.905	0.815	0.847	0.838
X2.2	0.936	0.814	0.930	0.933
X2.3	0.955	0.834	0.922	0.951
X2.4	0.901	0.887	0.791	0.804
X2.5	0.837	0.796	0.715	0.729
Y1	0.781	0.701	0.863	0.848
Y2	0.852	0.732	0.918	0.844
Y3	0.885	0.763	0.924	0.877
Y4	0.847	0.777	0.832	0.773
Y5	0.643	0.574	0.781	0.694
Z1	0.804	0.710	0.817	0.882
Z2	0.737	0.618	0.807	0.822
Z3	0.870	0.873	0.776	0.830
Z4	0.699	0.587	0.676	0.752
Z5	0.806	0.738	0.814	0.872

Source: Processed Primary Data, 2025

Table 4: Results Cross Loading Test Discriminant Validity Stage 1

Mark Cross Loading For the factors such as Employee Competence, Organizational Culture, Work Motivation, and Excellent Service Quality, the correlation values connecting the indicators (instruments) to their respective constructs (variables) do not consistently exceed the correlation values of the indicators found in other constructs (variables). A few of them are lower than the indicators, specifically, X1. 1(0.824) related to Employee Competence, Z3 (0.830) associated with Work Motivation, and Y4 (0.832) tied to Excellent Service Quality. Therefore, these must be excluded and evaluated again. The results from the second stage of the cross-loading test can be found in Table 5 below.

	Organizational Culture	Employee Competence	Service Excellence	Work Motivation
X1.2	0.843	0.880	0.702	0.703
X1.3	0.741	0.921	0.582	0.585
X1.4	0.733	0.899	0.615	0.591
X1.5	0.718	0.849	0.627	0.542
X2.1	0.905	0.752	0.789	0.808
X2.2	0.938	0.754	0.911	0.927
X2.3	0.957	0.769	0.910	0.938
X2.4	0.899	0.882	0.748	0.716
X2.5	0.835	0.773	0.698	0.661
Y1	0.782	0.625	0.880	0.852
Y2	0.853	0.685	0.920	0.826
Y3	0.886	0.715	0.919	0.858

Y5	0.645	0.484	0.816	0.719
Z1	0.806	0.610	0.822	0.894
Z2	0.740	0.549	0.813	0.843
Z4	0.700	0.515	0.657	0.761
Z5	0.808	0.648	0.820	0.882

Source: Processed Primary Data, 2025

Tabel 5: Results *Cross Loading Uji Discriminant Validity* Stage 2

Mark Cross Loading for the variables Employee Competence, Organizational Culture, Work Motivation, and Excellent Service Quality indicates that the correlation between the indicators and their respective constructs is greater than that between the indicators for other constructs. The findings from the tests for convergent validity and discriminant validity reveal consistent results, with all indicators confirmed as valid. This suggests that the model applied is well-suited and capable of distinguishing effectively between various constructs. Therefore, it can be inferred that the measurement tools utilized in this research are valid.

4.5.2.3. Construct Reliability

Construct Reliability can be evaluated using one of two approaches, namely through the assessment of Cronbach's Alpha and composite reliability. These two methods are essential for testing the reliability of the indicators associated with a variable.

1) Cronbach's Alpha

Cronbach's Alpha serves as a crucial measure for assessing the reliability of variables within the PLS-SEM framework. A high Cronbach's Alpha value signifies that the construct or variable is being accurately and consistently measured. For measurement validity in PLS analysis, a value of ≥ 0.70 is required (Savitri et al. , 2021) and (Wiyono, 2020). On the other hand, a low Cronbach's Alpha may suggest that the indicators or statements employed may lack sufficient reliability and require enhancement or substitution.

	Cronbach's alpha
OrganizationalCulture	0.946
EmployeeCompetence	0.910
Service Excellence	0.907
Workmotivation	0.867

Source: Processed Primary Data, 2025

Table 6: Cronbach's Alpha Value

The findings presented in Table 6 indicate that the Cronbach's alpha coefficient for the construct of Organizational Culture stands at 0.946, for Employee Competence it is 0.910, the Excellent Service Quality variable has a score of 0.907, and the Work Motivation variable is rated at 0.867. Since all Cronbach's alpha values are equal to or greater than 0.70, it confirms that all variables exhibit strong reliability.

2) Composite reliability

Composite Reliability is utilized to verify the internal consistency of the indicators that constitute the latent variables. In Smart PLS, Composite Reliability serves as the primary method for assessing reliability, where a CR value of 0.7 or higher is regarded as fulfilling the research criteria.

Table 7: Mark Composite Reliability

	Composite Reliability (rho_c)
Organizational Culture	0.959
Employee Competence	0.937
Service Excellence	0.935
Work Motivation	0.910

Source: Processed Primary Data, 2025

The findings from this examination indicate that the Composite reliability for the Organizational Culture variable is 0.959, for Employee Competence it is 0.937, for Excellent Service Quality it stands at 0.935, and for Work Motivation it is 0.910. Since all Composite reliability values are equal to or exceed 0.70, it illustrates that all variables exhibit good reliability.

4.5.2. Inner Model

The inner model in PLS-SEM illustrates the connections between latent variables, and an analysis was performed to assess the strength and relevance of these connections. The evaluation focused on three primary areas: the relevance of the connection (hypothesis testing), R-squared value, and effect size.

4.5.2.1 Hypothesis Testing

Hypothesis testing in this study is used to determine the partial influence of the independent variable on the dependent variable. Hypothesis testing is carried out by comparing the calculated t value with the t table, if the calculated t value > 1.96 and p value < 0.05 , then the result is to accept the alternative hypothesis (H_a). If the calculated t value < 1.96 and p value > 0.05 , then the result is to accept the null hypothesis (H_o). Based on the Structural Equation Model Partial Least Square (PLS), the influence between variables can be seen in the following table:

	T statistics (O/STDEV)	P Value (P values)
Organizational Culture->Excellent Service Quality	2,291	0.011
Organizational Culture->Work Motivation	9,870	0.000
Employee Competence->Excellent Service Quality	0.401	0.344
Employee Competence->Work Motivation	2,271	0.012
Work Motivation->Excellent Service Quality	4,342	0.000

Source: Processed Primary Data, 2025

Table: 11 Hypothesis Test Results

Table 11 displays the findings from the Bootstrapping analysis, including the partial hypothesis testing related to how Employee Competence, Organizational Culture, and Work Motivation impact Excellent Service Quality. It also examines the effect of Employee Competence and Organizational Culture on Work Motivation, specifically:

- 1) The Effect of Organizational Culture on Excellent Service Quality
The analysis reveals that there is a positive and noteworthy correlation between organizational culture and excellent service quality, as indicated by a T-statistic of 2.291 and a P-value of 0.011 (which is below 0.05). This suggests that a stronger organizational culture is linked to higher service quality.
- 2) The Effect of Organizational Culture on Work Motivation
The findings show that organizational culture significantly influences work motivation, supported by a T-statistic of 9.870 and a P-value of 0.000. This implies that a nurturing and positive work atmosphere can enhance employee motivation and involvement.
- 3) The Effect of Employee Competence on Excellent Service Quality
The results indicate that employee competence does not have a significant impact on excellent service quality, evidenced by a T-statistic of 0.401 and a P-value of 0.344 (which exceeds 0.05). Thus, merely enhancing employee skills does not guarantee an improvement in high service quality standards.
- 4) The Effect of Employee Competence on Work Motivation
Employee competence has a significant influence on work motivation, as shown by a T-statistic of 2.271 and a P-value of 0.012. This indicates that greater employee competence is linked to higher levels of work motivation.
- 5) The Effect of Work Motivation on Excellent Service Quality
Work motivation has a notable and positive effect on excellent service quality, indicated by a T-statistic of 4.342 and a P-value of 0.000. This implies that motivated employees are more willing to deliver high-quality service to customers.

4.5.2.1. R-squared (R^2)

In PLS-SEM, the R-squared value gauges how effectively the latent independent variables within a model account for the variability of the latent dependent variable. This R^2 value reflects the model's overall ability to predict outcomes. R^2 values range from 0 to 1, with higher figures signifying a more effective model at accounting for variance. The R-squared values obtained in this study are as follows.

	R-square	Adjusted R-square
Service Excellence	0.876	0.871
Workmotivation	0.845	0.841

Source: Processed Primary Data, 2025

Table 8: Results of the R Square (R^2) Test

Based on the findings of the analysis, the R-Square statistic of 0.876 for the Excellent Service Quality factor implies that 87.6% of the fluctuations in this factor can be accounted for by the independent variables in the model, while the remaining 12.4% is determined by other external factors. Thus, the association between the independent

variables and Excellent Service Quality can be viewed as very robust. On the other hand, the R-Square statistic of 0.845 for the Work Motivation factor indicates that 84.5% of the changes in this factor can be clarified by the independent variables outlined in the model, with the leftover 15.5% being impacted by outside influences. This figure signifies a notably strong connection, indicating that the model effectively addresses most elements affecting Work Motivation, despite the presence of many external influences. The subsequent figure displays two outputs from the PLS SEM Algorithm to illustrate the R² research model.

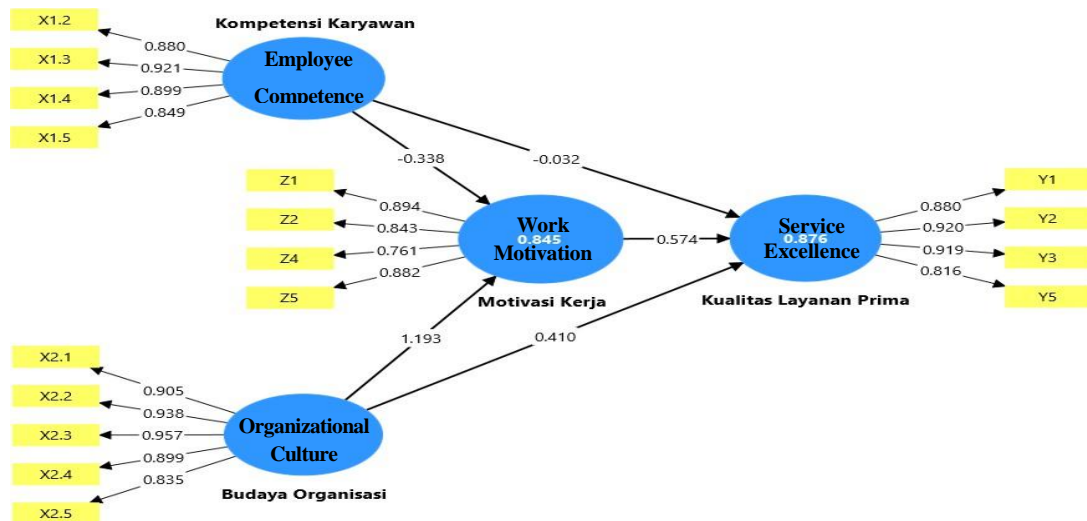


Figure 3: PLSSEM Algorithm model output

4.5.2.2. F-Square/Effect size (f^2)

F-Square/Effect size (f^2) is utilized to assess how much independent variables influence the prediction of dependent variables. This evaluation involves examining the variation in the R² value after excluding a specific independent variable from the analysis. An f^2 value is considered small when it ranges from 0.02 to 0.15, medium if it falls between 0.15 and 0.35, and large when it exceeds 0.35 (Hamid and Anwar (2019)). Through the calculation of f^2 , researchers can determine which independent variables significantly affect the dependent variable in the model, offering a clearer understanding of the relationships between latent variables.

	Service Excellence	Workmotivation
OrganizationalCulture	0.104	2.407
EmployeeCompetence	0.002	0.193
Workmotivation	0.412	

Source: Processed Primary Data, 2025

Tabel 9: F-Square/effect size (f^2) test results

Based on the findings presented in Table 9, the explanations are as follows:

1. Influence of Organizational Culture on Exceptional Service Quality: The f^2 value for this pathway is 0.104. This low figure suggests that Organizational Culture has a minimal effect on Exceptional Service Quality. Organizational Culture only slightly aids in enhancing Exceptional Service Quality.
2. Organizational Culture and Work Motivation: The f^2 value for this pathway is 2.407, indicating that Organizational Culture significantly affects Work Motivation. This indicates that Organizational Culture plays an important role in shaping Work Motivation.
3. Employee Competence and Exceptional Service Quality: The f^2 value for this pathway is 0.002, representing a very slight impact. This implies that Employee Competence has a rather limited effect on Exceptional Service Quality. While Employee Competence is crucial, its direct impact on Exceptional Service Quality is not as prominent when compared to other factors, like Work Motivation.
4. Employee Competence's Impact on Work Motivation: The f^2 value for this pathway is 0.193, demonstrating a moderate level of influence. This indicates that enhancing employee competence positively affects work motivation.
5. Work Motivation and Exceptional Service Quality: The f^2 value for this pathway is 0.412, which signifies a considerable impact. Exceptional Service Quality strongly influences Work Motivation. This suggests that positive perceptions of service quality significantly enhance employee motivation at work.

4.5.3. Path Coefficient Assessment

The aim of the path coefficient is to evaluate the extent to which the quality of human resources, job analysis, and self-efficacy impact employee performance, including how human resource quality and job analysis affect self-efficacy. The path

coefficient values can vary from -1 to 1. A result between 0 and 1 signifies a positive impact. On the other hand, a value that falls between -1 and 0 indicates a negative impact. The findings of the path coefficient are presented in the following table:

	Sample Original (O)	Average Sample (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Value (P values)
Culture Organization->Quality of Service Prima	0.410	0.401	0.179	2,291	0.011
Culture Organization->Work motivation	1,193	1,199	0.121	9,870	0.000
Competence Employees->Quality of Service Prima	- 0.032	- 0.029	0.081	0.401	0.344
Competence Employees->Work motivation	- 0.338	- 0.339	0.149	2,271	0.012
Work Motivation->Quality of Service Prima	0.574	0.581	0.132	4,342	0.0

Source: Processed Primary Data, 2025

Tabel 9: F-Square/effect size (f^2) test results

Based on the table above, Organizational Culture has a positive coefficient (0.410) and is significant ($p = 0.011$) on Service Quality..This means that the better the organizational culture, the higher the quality of excellent service. Organizational Culture has a very high coefficient (1.193) and is strongly significant ($p < 0.001$) on Work Motivation. This indicates that organizational culture plays a very large and positive role in increasing employee work motivation. Employee Competence has a small negative coefficient (-0.032) and is not significant ($p = 0.344$) on Excellent Service Quality..This means that employee competence does not have a significant direct influence on excellent service quality. Employee competence has a moderate negative coefficient (-0.338) and is significant ($p = 0.012$) on work motivation. This means that employee competence actually has a negative influence on work motivation. This could be an interesting finding and needs to be explored further theoretically and empirically. Work motivation has a large positive coefficient (0.574) and is highly significant ($p < 0.001$) on excellent service quality.. This shows that work motivation is very important in driving excellent service quality.

4.5.4. Mediation Test

A mediation analysis was performed to assess whether the Work Motivation variable could serve as a mediator between the independent and dependent variables in this research model. Here, Excellent Service Quality acted as the independent variable, while Employee Competence and Organizational Culture were considered as dependent variables. Work Motivation was regarded as an intervening variable that might elucidate or enhance the indirect effect of Excellent Service Quality on the other two variables.

The mediation analysis utilized a bootstrapping method through the SmartPLS application, which aids in determining the significance of indirect effects. This analysis is essential for understanding if the effect of Excellent Service Quality on Employee Competence and Organizational Culture is direct or mediated by Work Motivation. Consequently, the findings from this mediation analysis will offer greater insight into the relational dynamics between the variables within the examined framework.

The table below summarizes the outcomes from the mediation test for each relationship pathway involving Work Motivation as a mediating factor:

	Sample original (O)	Average sample (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P Value (P values)
Organizational Culture->Quality of Service Prima	0.410	0.401	0.179	2,291	0.011
Organizational Culture->Work motivation	1,193	1,199	0.121	9,870	0.000
Competence Employees->Quality Excellent Service	- 0.032	- 0.029	0.081	0.401	0.344
Competence Employees->Motivation Work	- 0.338	- 0.339	0.149	2,271	0.012
Work Motivation->Excellent Service Quality	0.574	0.581	0.132	4,342	0.000

Source: Processed Primary Data, 2025

Table 12: Mediation Test Results (Direct Effect)

Based on the earlier mentioned table 12, the following points can be discussed:

1. The findings indicate that organizational culture significantly and directly impacts the quality of service provided, as evidenced by a T-statistic of 2.291 and a P-value of 0.011. This suggests that a positive organizational culture can lead to an enhancement in service quality.
2. There is also a robust and notable direct influence of organizational culture on employee motivation. This is highlighted by a T-statistic of 9.870 and a P-value of 0.000. This implies that a healthier organizational culture results in increased work motivation among employees.
3. The findings reveal that employee competence does not significantly affect the quality of service, with a T-statistic of 0.401 and a P-value of 0.344 (which is above 0.05). This indicates that merely enhancing employee competence does not guarantee an improvement in service quality.
4. On the other hand, employee competence does have a significant and direct effect on work motivation, as shown by a T-statistic of 2.271 and a P-value of 0.012. This means that higher levels of competence among employees correlate with greater work motivation.
5. It has been established that work motivation has a direct and significant influence on service quality, supported by a T-statistic of 4.342 and a P-value of 0.000. This signifies that work motivation is crucial in delivering high-quality service to the community or clients.

Therefore, both organizational culture and work motivation exert a significant direct influence on service quality. While employee competence does not directly affect service quality, it does play a critical role in motivating employees, which in turn enhances service quality. Furthermore, work motivation is a significant mediating factor within this framework. To further illustrate the strong mediation effect of this study, the subsequent table presents the indirect effects.

Table 13: Mediation Test Results (Indirect Effect)

	Sample original (O)	Flat-flat sample (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P Value (P values)
Organizational Culture-> Work Motivation-> Excellent Service Quality	0.685	0.697	0.176	3,892	0.000
Employee Competence-> Work Motivation-> Excellent Service Quality	- 0.194	- 0.197	0.099	1,960	0.025

Source: Processed Primary Data, 2025

Table 13: Mediation Test Results (Indirect Effect)

From Table 13 above, the findings from the mediation analysis regarding the effects of Employee Competence and Organizational Culture on the Excellent Service Quality variable via Work Motivation can be summarized as follows:

- 1) The Influence of Organizational Culture on Excellent Service Quality through Work Motivation
The analysis reveals that work motivation plays a significant mediating role between organizational culture and excellent service quality. This is evidenced by a T value of 3.892 and a P value of 0.000, which demonstrate significance at a 95% confidence level. Essentially, a positive organizational culture increases employee motivation, which in turn improves excellent service quality. Therefore, work motivation effectively serves as a mediator in this connection.
- 2) The Influence of Employee Competence on Excellent Service Quality through Work Motivation
Similarly, this path analysis indicates that work motivation significantly mediates the relationship between employee competence and excellent service quality, supported by a T statistic of 1.960 and a P value of 0.025 (noteworthy as it is under 0.05). While employee competence itself may not have a direct effect on excellent service quality, it can strongly influence service quality indirectly when coupled with heightened work motivation. This suggests that new employees can provide excellent service when their motivation at work is high.

4.5.5. Summary of Hypothesis Test Results

The overview of the hypothesis testing findings aims to identify whether there are effects among the variables and evaluate any current associations. The aggregate outcomes of the hypothesis tests are displayed below:

	T statistics (O/STDEV)	P Value (P values)	Information
Organizational Culture -> Excellent Service Quality	2,291	0.011	Accepted
Organizational Culture->Work Motivation	9,870	0.000	Accepted
Employee Competence -> Excellent Service Quality	0.401	0.344	Rejected
Employee Competence -> Work Motivation	2,271	0.012	Accepted
Work Motivation->Excellent Service Quality	4,342	0.000	Accepted
Organizational Culture -> Work Motivation ->Excellent Service Quality	3,892	0.000	Accepted
Employee Competence -> Work Motivation ->Excellent Service Quality	1,960	0.025	Accepted

Source: Processed Primary Data, 2025

Table 14: Summary of Mediation Test Results

Based on Table 14 above, it indicates that not all relationships between variables are accepted; specifically, the effect of Employee Competence on Excellent Service Quality is dismissed. This is evident since the P value (0.344) is greater than 0.05.

V. Discussion

This part provides a clarification of the research results derived from data analysis utilizing the Partial Least Squares (PLS) method. The primary aim of the discussion is to address the research questions and evaluate the proposed hypotheses, along with connecting the empirical findings to relevant past theories or studies.

This research investigates the impact of Employee Competence and Organizational Culture on Excellent Service Quality, considering both direct and indirect effects through Work Motivation as an intermediary factor. Consequently, the discussion is organized around the interrelationships of each variable, highlighting direct impacts and the mediating role of work motivation.

With this methodology, a thorough understanding of how the examined variables interact and contribute to the achievement of superior service quality within the organization is expected.

The discussion of the Relationship between Employee Competence and Organizational Culture with Excellent Service Quality, where Work Motivation serves as an Intervening Variable (Case Study at the Pemalang Regency Transportation Service) can be described as follows:

1) The Effect of Employee Competence on Excellent Service Quality

According to the research findings, employee competence does not significantly influence excellent service quality directly. Despite the theoretical assumption that competence (knowledge, skills, and work attitudes) could enhance service quality, the analysis reveals a T-statistic of 0.401 and a P-value of 0.344 (which exceeds 0.05). This indicates that high employee competence alone does not ensure high-quality service delivery unless supported by additional factors such as work motivation. Hence, improvements in competence should go hand in hand with effective motivation management to maximize their influence on service quality.

2) The Impact of Organizational Culture on Excellent Service Quality

The analysis results indicate that organizational culture positively and significantly affects excellent service quality (with a T-statistic of 2.291 and a P value of 0.011). A workplace that promotes positive values, norms conducive to service, and customer-focused work practices can encourage employees to deliver outstanding service. A robust work culture promotes discipline, accountability, and a durable commitment to service excellence.

3) The Relationship Between Employee Competence and Work Motivation

This study finds that employee competence has a significant impact on work motivation, evidenced by a T-statistic of 2.271 and a P-value of 0.012. This suggests that employees with strong knowledge, skills, and work ethics are likely to feel more self-assured and competent, which in turn boosts their enthusiasm and ambition to perform their tasks with greater effort and efficiency. Competence enhances individuals' sense of ability and value in executing their responsibilities.

4) The Relationship Between Organizational Culture and Work Motivation

Organizational Culture and Its Impact on Work Motivation Research indicates that organizational culture plays a crucial role in influencing employee motivation significantly (T statistic 9.870, P value 0.000). When a workplace fosters a supportive culture, characterized by achievements being recognized, open dialogue, and a sense of teamwork, employees feel appreciated and driven. A positive organizational culture fosters an encouraging work atmosphere and promotes deeper emotional involvement among staff.

5) The Role of Work Motivation in Delivering Excellent Service Quality

It has been established that work motivation positively contributes to high-quality service delivery (T statistic 4.342, P value 0.000). In summary, motivated employees tend to be more enthusiastic, responsible, and exhibit commendable service attitudes, such as courtesy, attentiveness, and a willingness to assist customers. Motivation is essential in driving the pursuit of exceptional public service.

6) The Mediating Effect of Work Motivation

The research also revealed that work motivation serves as a mediator for the effects of:

- Employee Competence on Excellent Service Quality (T statistic 1.960, P value 0.025)
- Organizational Culture on Excellent Service Quality (T statistic 3.892, P value 0.000)

This suggests that both employee competence and the organizational culture can enhance their impact on service quality through increased employee motivation. Relying solely on motivation, competence, and organizational culture may not be sufficient to guarantee outstanding service.

VI. Closing

6.1. Conclusion

This research focuses on understanding how employee skills and organizational culture affect high-quality service, both directly and indirectly via work motivation as a mediating factor. The findings reveal that:

- 1) Organizational culture directly and notably impacts the quality of excellent service and also does so indirectly through work motivation.
- 2) Employee skills do not directly influence the quality of excellent service, but they do affect it indirectly through work motivation.
- 3) Work motivation significantly impacts the quality of excellent service and serves as an effective mediator in the connection between employee competence and organizational culture with service quality.

Therefore, work motivation is essential in enhancing the link between internal organizational elements and the quality of services delivered.

6.2. Managerial Implications

The findings from this study suggest several considerations for human resource management, particularly in the public sector:

- 1) Leaders in organizations should focus on fostering a positive and supportive workplace culture that promotes teamwork, transparency, and acknowledgment of achievements.
- 2) Efforts to enhance employee skills should go hand in hand with strategies to boost work motivation to maximize their impact on service quality.
- 3) Work motivation should be treated with priority through relevant training opportunities, chances for personal growth, and a positive workplace atmosphere.

6.3. Research Limitations

This study has some limitations worthy of acknowledgment:

- 1) The research was confined to a single local government body, which may not represent other areas.
- 2) The methodology was exclusively quantitative, lacking an in-depth examination of the psychological or social components of work motivation and organizational culture.
- 3) The study did not consider several other vital factors that could affect service quality, such as the style of leadership or employee workload.

6.4. Future Research Agenda

Given these limitations, several suggestions for future research are provided:

- 1) Conduct additional studies across various organizations or sectors to verify the reliability of the findings.
- 2) Utilize a mixed-method approach that includes interviews or observations to gain more profound insights.
- 3) Incorporate other variables such as leadership practices, job satisfaction, or employee engagement to create a more thorough research framework.
- 4) Investigate the possible moderating effects of factors like age, gender, or years of service, which could influence the strength of the relationships between the variables.

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