



# The Influence of Work Culture, Organizational Commitment, and Incentives on Employee Performance in the Trade and Cooperative Service Micro Business in Ponorogo Regency

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**Abstract.** This study aims to examine the influence of work culture, organizational commitment, and incentives on employee performance at the Ponorogo Regency Trade and Industry Office. Based on the development of the trade, cooperative, and micro-enterprise sectors in Ponorogo Regency which have shown a positive trend in recent years, with regional economic growth reaching 5.14% in 2023. The Ponorogo Regency Government, through the Trade, Cooperative, and Micro-Enterprise Office (Disperdagkum), has initiated various training and mentoring programs for Micro, Small, and Medium Enterprises (MSMEs) to increase competitiveness and market access. The research method used is a quantitative approach with an explanatory research type. Data were collected through a survey of Disperdagkum employees and analyzed using inferential statistical methods. The results of the study indicate that work culture and organizational commitment have a significant positive influence on employee performance. In addition, the incentives provided, both in financial and non-financial forms, contribute to increasing employee work motivation and productivity. Thus, to improve the effectiveness of Disperdagkum services, policies are needed that strengthen a positive work culture, increase employee commitment to the organization, and optimize the incentive system.

**Keywords:** Employee performance, work culture, organizational commitment, incentives, UMKM

## 1. Introduction

The economic resilience of a region is often reflected in the vitality of its trade, cooperative, and micro-enterprise sectors, which serve as the backbone of community-based growth. The development of the trade, cooperative, and micro-enterprise sectors in Ponorogo Regency has shown a positive trend in recent years, especially in 2023. The regional economy recorded a growth of 5.14%, driven by various main sectors such as trade, accommodation services, and small-scale businesses (BPS Ponorogo Regency, 2023). The progress of the micro-enterprise sector in Ponorogo is increasingly visible along with the implementation of training and mentoring programs that continue to be encouraged by the local government.

In 2023, the Ponorogo Regency Government through the Trade, Cooperatives, and Micro Enterprises Service (Disperdagkum) held financial management training for Micro, Small, and Medium Enterprises (MSMEs) to increase their competitiveness. In addition, several superior products of Ponorogo MSMEs, such as shredded meat, sponge cake, and fish sticks, have begun to penetrate the modern market, reflecting increased market access for business actors (BPS Ponorogo Regency, 2023). This achievement shows that local product innovation has started to gain recognition beyond the traditional marketplace.

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As part of the local economic strengthening strategy, the District Government is also trying to revitalize traditional markets to expand marketing opportunities for MSMEs. This program is expected to be able to increase the competitiveness and quality of MSME products in Ponorogo, so that they can compete in a wider market (BPS Ponorogo Regency, 2023). Such efforts highlight the government's commitment to not only fostering economic growth but also ensuring that MSMEs remain adaptive and resilient in facing the challenges of a dynamic market environment. The Department of Trade, Cooperatives, and Micro Enterprises (Dinas Perdagkum) is a regional government institution in Indonesia that is responsible for managing the trade, cooperative, and micro-enterprise sectors. The main tasks of this department include developing and fostering micro, small, and medium enterprises (MSMEs), regulating trade in its region, and supervising cooperatives as one of the people's economic entities. The focus is usually on increasing local economic competitiveness, providing training, capital assistance, trade regulations, and facilitating partnerships between micro and cooperative business actors with the private sector and the government.

The vision of the Trade and Industry Service is to realize a Great Ponorogo Regency (Harmonious, Beautiful, Passionate, Trustworthy and Devout), and has four missions, namely (1) Improving the Regional Economy Based on Agriculture and Tourism. (2) Realizing Community Welfare Through Improving Basic Services, Community Empowerment and Cultural Development. (3) Realizing Quality and Sustainable Infrastructure and Environmental Development. (4) Realizing Trustworthy, Agile and Responsive Governance (Caruth & Handlogten, 2001).

Related to the economic growth rate in Ponorogo Regency reaching 5.14% supported by the increasingly growing micro business sector and future challenges to realize the vision and mission of the Perdagkum Service, of course the problem of Employee Performance at the Perdagkum Service is the main thing to examine its existence.

According to (Mangkunegara, 2011) Human Resources performance is the work results in terms of quality and quantity achieved by an employee in carrying out his duties in accordance with the responsibilities given to him. Employee performance becomes good if there is internal support from the organization. Internal support includes employee commitment to develop the organization and adequate incentives to support performance and a good working atmosphere that can be reflected by employee work culture.

Employee performance in the context of government employees is reflected in the ability of employees to achieve the targets that have been set in serving the public and supporting local government programs. This performance is not only related to the quantity of work, but also the quality of public services and efficiency in the use of resources. (Mathis Robert & Jackson John, 2012) defines employee performance as the achievement of work results that can be measured in terms of effectiveness, productivity, and efficiency.

The most important thing is incentives, without incentives, employees will certainly experience a decrease in work motivation. Incentives can be interpreted as rewards or awards given to individuals or groups to encourage or improve certain performance, behavior, or achievements in the context of the organization. Incentives can be financial or non-financial, and can function to increase employee motivation and productivity. (Milkovich, GT, & Newman, 2017) state that incentives are a form of appreciation given to employees to motivate them to improve performance. These incentives can be in the form of bonuses, allowances, or other awards that can encourage employees to achieve organizational goals.

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Previous research results that prove that there is an influence between incentives on employee performance have been conducted by (Muktiani, 2019) who conducted research at the Semarang SAR Office and found that financial incentives, such as bonuses and allowances, have a significant positive impact on employee performance. Likewise (Hanif et al., 2023) ; (Purba et al., 2023) and (Purnomo et al., 2023) also proved that incentives have a positive impact on performance. The impact of incentives received by employees at the Perdagkum Service is it true that they have an impact on their performance, therefore this study aims to test the effect of incentives on employee performance at the Perdagkum Service of Ponorogo Regency.

The results of Djatmiko & Natsir's research , (2023) which examined government employees showed that organizational culture has a significant positive influence on the performance of government employees. Likewise, other researchers such as (Gheitani, A., 2019) ; (Sulaksono, 2019) and (Sarumaha, 2022) obtained the same evidence that work culture affects employee performance.

(Robbins, SP, & Judge, 2017) , organizational culture serves as a guide to consistent behavior, motivating employees to commit and work hard. (Dessler, 2020) emphasized that a healthy work culture provides a sense of security and comfort for employees, creating an environment that supports collaboration and productivity. Therefore, employee commitment to the organization is an important part of the organization's success in realizing its vision and mission. So (Mathis Robert & Jackson John, 2012) stated that Organizational Commitment can be divided into three main components, namely affective commitment, normative commitment, and continuance commitment.

The relationship between Organizational Commitment and Employee Performance is proven by the results of research by Wahyudi et al., (2021) who studied at the Camba District Government Office, Maros Regency, showing that Organizational Commitment has a positive effect on employee performance. Also by other researchers such as Marewa, YS, Saleh, Y., & Abduh, (2019) and (Riswanto, 2014) . The influence between Organizational Commitment and employee performance at the Perdagkum Service is part of this study.

Based on the phenomenon of the performance achievements of the Trade and Legal Affairs Office in Ponorogo Regency which was released by the Central Statistics Agency of Ponorogo Regency in 2023 regarding economic growth and MSMEs experiencing rapid development, of course it is a challenge in the future in realizing the Vision and Mission. For this reason, this study wants to test the influence of work culture, Organizational Commitment and incentives on employee performance. In addition, this study wants to provide input to managers/officials at the Trade and Legal Affairs Office by looking for the dominant impact of the three causal factors so that the governance of Human Resources at the Trade and Legal Affairs Office in the future can be better.

Although previous studies such as those by Muktiani (2019), Hanif et al. (2023), Purba et al. (2023), and Purnomo et al. (2023) have proven the positive influence of incentives on employee performance, and research by Djatmiko & Natsir (2023) as well as Wahyudi et al. (2021) has highlighted the role of organizational culture and commitment, there is still a gap that has not been widely explored. Most of the studies conducted so far have examined these factors individually and within different organizational settings, without integrating them into a single analytical model. In addition, the existing literature rarely emphasizes the specific context of regional government institutions, especially those directly involved in MSME development such as Disperdagkum Ponorogo. Furthermore, the relationship between



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employee performance and the broader goals of sustainable regional economic growth—as promoted in the SDGs—has not been clearly connected in previous research.

The issues raised in this study also have a close correlation with the global development agenda, namely the Sustainable Development Goals (SDGs). Specifically, this research is in line with Goal 8: Decent Work and Economic Growth, which emphasizes the importance of inclusive and sustainable economic growth, full and productive employment, and decent work for all. By improving the performance of employees in the Department of Trade, Cooperatives, and Micro Enterprises, the government can strengthen the capacity of MSMEs as the driving force of the regional economy, while at the same time contributing to the realization of equitable economic growth and community welfare.

The novelty of this research lies in its comprehensive approach that integrates three main variables—*incentives*, organizational culture, and organizational commitment—to be tested simultaneously in relation to employee performance in regional government institutions. Unlike previous studies that only examined these factors separately or in different organizational contexts, this study not only seeks to identify their combined influence but also to connect it with the achievement of sustainable regional development targets in accordance with the SDGs. This integration provides a new perspective both theoretically, by filling the gap in the literature on public sector HR performance, and practically, by offering recommendations for policy improvements that are more holistic and relevant to the local government context.

## 2. Methods

Linear research uses explanatory research type. *Explanatory research* is an exploratory research that highlights the relationship between research variables and tests the formulated hypothesis (Singarimbun, 2011). In this type of linear research, there must be a hypothesis that will test its truth. The hypothesis itself will describe the relationship between two or more variables. From this description, it will be known whether a variable has an effect or not on other variables. The approach in this research is a quantitative approach, which is a type of approach in research whose data is in the form of numbers or sentences that are calculated using a Likert scale.

This research is in the scope of human resource management, which examines Individual Performance according to the theory proposed by (Mathis Robert & Jackson John, 2012) which measures individual performance on three indicators, namely Effectiveness, productivity and efficiency. In addition, the scope of this research examines the theory of work culture, organizational commitment and incentive theory.

In this research there are independent variables and dependent variables. These variables are:

- a. Dependent variable: Performance (Y)
- b. Independent variable : Work culture (X1)  
: Organizational Commitment (X2)  
: Incentive (X3)

**Table 1.** Variables, Indicators and Statement Items

No	Variable 1	Indicator 1	Item Per ny statement
1	Culture Work (X <sub>1</sub> )	Communication	1. I feel that communication in my work environment is effective. 2. I receive job-related information in a timely manner.
		Values and Norms	3. I feel the norms in the workplace encourage ethical behavior. 4. I feel the values of the organization are in line with the principles as well as my personal responsibility as an employee.
		Leadership	5. I feel my leader provides clear direction to the entire team. 6. I feel my leader creates a work environment that supports improved performance.
2	Commitment Organization al (X <sub>2</sub> )	1) Will employee	7. I stick to the rules I in carry out 1 job 8. I put in all my efforts beyond 1 that I expected I to help 1 success 1 job 1
		2) Loyalty employee	9. I m doing my best because I feel I happiness I life be I at I agency 10. Very I small I possibility leave the agency
		3) Pride employee	11. I am proud become employee in the agency 12. I am proud with results Work during This
3	Incentive (X <sub>3</sub> )	1) Material incentives	13. Incentives received in accordance hope 14. Giving incentive Motivate Work employee
		2) Non-material incentives	15. I feel the opportunity to get training , skills development improves my performance. 16. I always receive praise for the achievements I have achieved.
4	Performance (Y)	1) Effectiveness	17. I feel that my work is completed according to the time target that has been set. 18. I feel that my tasks are completed with a quality that meets the expectations of management.

		2) Productivity	19. I feel that my work results are satisfactory even exceeding the expectations set 20. I feel that my ability to manage time supports increased work productivity.
		3) Efficiency	21. I feel I use my working time optimally to complete tasks. 22. I feel that the working methods I employ help reduce waste of resources.

### 3. Results and Discussion

The statement items that have been answered by respondents need to be tested, with the intention of knowing whether it is true that respondents understand the items asked by researchers. To find out the level of understanding/validity of respondents to the questionnaire items, a validity test is carried out. In addition, researchers also want to know the level of consistency of respondents' answers to what has been asked. To find out the consistency of respondents in answering questionnaire items, a reliability test is carried out.

#### 3.1. Validity test results

The results of the validity test on 22 statements measuring the variables of Work Culture (X1), Organizational Commitment (X2), Incentives (X3) and Employee Performance (Y) are as follows:

**Table 2.** Validity Test Results

Variables	Item	Correlation coefficient	r table	Sig	Information
Work Culture (X <sub>1</sub> )	X <sub>1.1.1</sub>	0.808	0.232	0,000	Valid
	X <sub>1.1.2</sub>	0.694	0.232	0,000	Valid
	X <sub>1.2.1</sub>	0.823	0.232	0,000	Valid
	X <sub>1.2.2</sub>	0.775	0.232	0,000	Valid
	X <sub>1.3.1</sub>	0.790	0.232	0,000	Valid
	X <sub>1.3.2</sub>	0.705	0.232	0,000	Valid
Organizational Commitment (X <sub>2</sub> )	X <sub>2.1.1</sub>	0.598	0.232	0,000	Valid
	X <sub>2.1.2</sub>	0.656	0.232	0,000	Valid
	X <sub>2.2.1</sub>	0.685	0.232	0,000	Valid
	X <sub>2.2.2</sub>	0.481	0.232	0,000	Valid
	X <sub>2.3.1</sub>	0.737	0.232	0,000	Valid
	X <sub>2.3.2</sub>	0.615	0.232	0,000	Valid
Incentive (X <sub>3</sub> )	X <sub>3.1.1</sub>	0.610	0.232	0,000	Valid
	X <sub>3.1.2</sub>	0.569	0.232	0,000	Valid
	X <sub>3.2.1</sub>	0.755	0.232	0,000	Valid
	X <sub>3.2.2</sub>	0.736	0.232	0,000	Valid
Employee Performance	Y <sub>1.1</sub>	0.627	0.232	0,000	Valid
	Y <sub>1.2</sub>	0.762	0.232	0,000	Valid



Variables	Item	Correlation coefficient	r table	Sig	Information
(Y)	Y <sub>2.1</sub>	0.758	0.232	0,000	Valid
	Y <sub>2.2</sub>	0.804	0.232	0,000	Valid
	Y <sub>3.1</sub>	0.732	0.232	0,000	Valid
	Y <sub>3.2</sub>	0.638	0.232	0,000	Valid

The r table value (N=71 at the error tolerance level (0.05)) is 0.232. The test results above show that all calculated r values for 22 statement items obtain values above the r table provision (0.232) or the probability value (sig. 2-tail) for 22 questionnaire items produces a probability value below 0.05. This comparison shows that respondents understand the 22 questionnaire items submitted by the researcher. Thus, all questionnaire items in this study are declared valid.

### 3.2 Reliability Test Results

In addition to the validity test, each questionnaire item/research instrument on each variable is expected to be answered by respondents consistently/reliably. A variable is said to be reliable if the Cronbach's Alpha value obtained from the calculation results exceeds or is greater than the specified cut-off of 0.6.

**Table 3.** Reliability Test Results

Variables	Alpha Cronbach	r table	Information
Work Culture (X <sub>1</sub> )	0.712	0.6	Reliable
Organizational Commitment (X <sub>2</sub> )	0.882	0.6	Reliable
Incentive (X <sub>3</sub> )	0.831	0.6	Reliable
Employee Performance (Y)	0.731	0.6	Reliable

The test results above show that the *Cronbach Alpha value* for the four variables studied representing the 22 research questionnaire items produces a value still below the cut-off number (0.6). This comparison shows that most respondents are consistent in answering the 22 questionnaire items submitted by the researcher. Thus, all questionnaire items in this study are declared reliable.

### 3.3 Descriptive Analysis Results

#### 3.3.1 Work Culture Description (X1)

Work Culture (X1) is measured by three indicators, namely communication aspects, values and norms and leadership aspects. The number of questionnaire items is six items. The results of the analysis of the answers of 71 respondents in measuring the Work Culture variable can be tabulated in the table below:

**Table 4.** Frequency Distribution of Work Culture Variable (X1)

Question items	Respondent Answer Score										Average	
	STS=1		TS=2		N=3		S=4		SS=5			
	F	%	F	%	F	%	F	%	F	%		
X <sub>1.1.1</sub>	1	1.4	3	4.2	21	29.6	22	31.0	24	33.8	3.91	
X <sub>1.1.2</sub>	-	-	-	-	16	22.5	24	33.8	31	43.7	4.21	
X <sub>1.1</sub> – Communication											4.06	
X <sub>1.2.1</sub>	-	-	6	8.5	21	29.6	21	29.6	23	32.4	3.85	
X <sub>1.2.2</sub>	1	1.4	-	-	16	22.5	23	32.4	31	43.7	4.16	
X <sub>1.2</sub> – Values and Norms											4.01	
X <sub>1.3.1</sub>	1	1.4	3	4.2	22	31.0	22	31.0	23	32.4	3.88	
X <sub>1.3.2</sub>	1	1.4	-	-	24	33.8	29	40.8	17	23.9	3.85	
X <sub>1.3</sub> – Leadership											3.87	
X <sub>1</sub> – Work Culture											3.98	

The average indicator of the leadership aspect is 3.87, indicating that the leadership aspect is considered by respondents to be quite good but requires additional efforts to be more supportive to subordinates. The lowest mean value, for X1.3.2 (Supportive work environment) obtained an average value of 3.85, indicating that leaders are more focused on creating a conducive work environment.

### 3.3.2 Description of Organizational Commitment (X2)

Organizational Commitment (X2) is measured by three indicators, namely employee willingness, employee loyalty, and employee pride. The number of questionnaire items is six items. The results of the analysis of the answers of 71 respondents in the measurement of the Organizational Commitment variable can be tabulated in the table below:

**Table 5.** Frequency Distribution of Organizational Commitment (X2)

Question items	Respondent Answer Score										Average	
	STS=1		TS=2		N=3		S=4		SS=5			
	F	%	F	%	F	%	F	%	F	%		
X <sub>2.1.1</sub>	-	-	2	2.8	25	35.2	25	35.2	19	26.8	3.85	
X <sub>2.1.2</sub>	-	-	1	1.4	16	22.5	30	42.3	24	33.8	4.08	
X <sub>2.1</sub> – Employee willingness											3.99	
X <sub>2.2.1</sub>	2	2.8	4	5.6	25	35.2	20	28.2	20	28.2	3.73	
X <sub>2.2.2</sub>	-	-	-	-	13	18.3	27	38.0	31	43.7	4.25	
X <sub>2.2</sub> – Employee loyalty											3.96	
X <sub>2.3.1</sub>	2	2.8	3	4.2	23	32.4	25	35.2	18	25.4	3.76	
X <sub>2.3.2</sub>	-	-	1	1.4	10	14.1	29	40.8	31	43.7	4.26	
X <sub>2.3</sub> – Employee pride											3.90	
X <sub>2</sub> – Organizational Commitment											3.97	



The average indicator of employee pride (X2.3) is 3.90, this is classified as good, with the note that there needs to be a strategy to increase pride in the institution as a whole. The overall average of the organizational commitment variable is 3.97, this explains that it is classified as good. The highest extreme mean value is the possibility of employees leaving small agencies with an average of 4.25, this shows high employee loyalty to the agency.

The lowest extreme mean value is that employees do their best for the sake of happiness in life with an average of 3.73, which indicates the need for a strategy to link work with employee emotional well-being.

### 3.3.3 Description of Incentives (X3)

Incentives (X3) are measured into two indicators, namely material incentives and non-material incentives. The number of questionnaire items is four items. The results of the analysis of the answers of 71 respondents in the measurement of the Incentive variable can be tabulated as in the table below:

**Table 6.** Incentive Frequency Distribution (X3)

Question items	Respondent Answer Score										Average	
	STS=1		TS=2		N=3		S=4		SS=5			
	F	%	F	%	F	%	F	%	F	%		
X <sub>3.1.1</sub>	-	-	-	-	13	18.3	30	42.3	28	39.4	4.21	
X <sub>3.1.2</sub>	-	-	-	-	9	12.7	24	33.8	38	53.5	4.40	
X <sub>3.1</sub> – Material incentives											4.30	
X <sub>3.2.1</sub>	-	-	-	-	14	19.7	31	43.7	26	36.6	4.16	
X <sub>3.2.2</sub>	-	-	-	-	10	14.1	28	39.4	33	46.5	4.32	
X <sub>3.2</sub> – Non-material incentives											4.24	
X <sub>3</sub> – Incentives											4.27	

The average indicator of non-material incentives is 4.24, indicating that employees positively accept the non-material incentives that they have been receiving so far. The overall average of the Incentive variable is 4.27, which indicates that it is classified as very good, and reflects that incentives, both material and non-material, have been felt effectively by employees.

The highest mean value, on item X3.1.2 (Provision of incentives motivates employees) with an average of 4.40, indicates that material incentives provide a significant motivational boost. The lowest mean value, on item X3.2.1 (Skills development opportunities) with an average of 4.16, which remains in the good category but still indicates the need to improve training programs or competency development.

### 3.3.4 Employee Performance Description (Y)

Employee Performance (Y) is measured into three indicators, namely aspects of effectiveness, productivity and efficiency. The number of questionnaire items is six items. The results of the analysis of the answers of 71 respondents in the measurement of the Employee Performance variable are tabulated in the table below:

**Table 7.** Employee Performance Frequency Distribution (Y)

Question items	Respondent Answer Score										Average	
	STS=1		TS=2		N=3		S=4		SS=5			
	F	%	F	%	F	%	F	%	F	%		
Y <sub>1.1</sub>	-	-	-	-	14	19.7	33	46.5	24	33.8	4.14	
Y <sub>1.2</sub>	-	-	-	-	26	36.6	18	25.4	27	38.0	4.01	
Y <sub>1.1</sub> – Effectiveness											4.07	
Y <sub>2.1</sub>	-	-	-	-	12	16.9	25	35.2	34	47.9	4.30	
Y <sub>2.2</sub>	-	-	-	-	20	28.2	23	32.4	28	39.4	4.11	
Y <sub>2</sub> – Productivity											4.21	
Y <sub>3.1</sub>	-	-	-	-	24	33.8	20	28.2	27	38.0	4.04	
Y <sub>3.2</sub>	-	-	-	-	14	19.7	28	39.4	29	40.8	4.21	
Y <sub>3</sub> – Efficiency											4.12	
Y – Employee Performance											4.13	

The average Efficiency Indicator is 4.12, this explains that work efficiency is considered high, especially in utilizing resources optimally. The average of the Overall Employee Performance Variable is 4.13, this shows that in general, employee performance is in the very good category, supported by high effectiveness, productivity, and efficiency.

The highest Extreme Mean Value is in item Y2.1 (Work results meet or exceed expectations) with an average of 4.30, indicating that most employees feel that their work productivity is very good.

The lowest Mean value is in item Y1.2 (Tasks are completed according to leader's expectations) with an average of 4.01, indicating that there is room for improvement in ensuring tasks are completed according to leader's expectations.

### 3.4 Hypothesis Test Results

The results of the multiple linear regression analysis test are presented briefly to prove the research hypothesis as follows:

**Table 8.** Testing Independent and Dependent Variables

Independent variable	Dependent variable	Coef . regres sion	Sig . t	(a)	Results
1	2	3	4	5	6
X1-Work Culture	Y-Employee performance	0.337	0,000	0.05	X1 has an effect on Y
X2-Organizational Commitment	Y-Employee	0.258	0,000	0.05	X2 has an effect on Y



	performance				
X3-Incentive	Y-Employee performance	0.401	0,000	0.05	X3 has an effect on Y

**First**, the first research hypothesis confirms that work culture, organizational commitment, and incentives simultaneously have a significant positive effect on employee performance at the Ponorogo Regency Trade and Industry Service. This indicates that performance improvement is not the result of a single factor, but rather the synergy of organizational values, employee loyalty, and the provision of appropriate rewards.

**Second**, the second research hypothesis shows that each factor—work culture, organizational commitment, and incentives—partially has a significant positive effect on employee performance. This finding underlines that even though these factors work together, they also independently contribute to improving performance. A conducive work culture fosters open communication and collaboration; strong organizational commitment builds loyalty and responsibility; while fair and transparent incentives directly encourage motivation and productivity.

**Third**, the research findings support the third hypothesis, namely that incentives have the most dominant influence on employee performance. Material incentives that are aligned with employee expectations serve as the strongest stimulus in motivating employees to deliver optimal results. This is reflected in the increased productivity dimension, where employees not only meet but often exceed organizational expectations, supported by good time management and efficiency.

From a theoretical perspective, this research contributes to strengthening the argument that employee performance in public institutions cannot be separated from the interaction between organizational values, commitment, and motivation mechanisms. The findings also have practical significance, as they provide empirical evidence for local governments regarding the importance of designing integrated HR management policies. By prioritizing incentives while maintaining strong organizational culture and commitment, the government can create an effective, efficient, and sustainable public service environment.

This research still has several limitations that need to be acknowledged. First, the study was only conducted within the scope of one regional government institution (Disperdagkum Ponorogo), so the findings cannot be fully generalized to all local government institutions in Indonesia. Second, the research approach still focuses on quantitative analysis, so it has not captured the deeper perspectives of employees regarding their experiences and expectations. Third, the study only examined three variables (work culture, organizational commitment, and incentives), while other factors such as leadership style, career development, and work environment may also play a significant role in influencing performance.

Based on these limitations, future research is recommended to:

1. Expand the scope of the study to cover other government institutions or private sector organizations to enable broader comparison and generalization.
2. Employ a mixed-method approach by combining quantitative and qualitative analysis to capture richer insights from employees.



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3. Explore additional variables such as leadership, digital transformation, and training systems that may interact with the three main variables in influencing performance.
4. Link future findings more explicitly with the achievement of Sustainable Development Goals (SDGs), particularly Goal 8, so that research results can have a broader impact in terms of global development targets.

## Conclusion

This study was conducted to examine the effect of work culture, organizational commitment, and incentives on employee performance at the Department of Trade, Cooperatives, and Micro Enterprises (Disperdagkum) of Ponorogo Regency. The results indicate that these three factors, both simultaneously and partially, have a significant influence on improving employee performance. This finding emphasizes that human resource management in the public sector cannot be separated from the synergy of organizational values, employee loyalty, and appropriate reward mechanisms that align with employees' needs.

More specifically, the study found that the work culture aspect is most prominent in the communication dimension, particularly in the timeliness of information delivery, which effectively enhances work efficiency. The organizational commitment aspect shows that employees demonstrate a high level of loyalty, as indicated by their low tendency to leave the institution. The material incentives aspect proved to be highly dominant in motivating employees to improve their performance. In line with this, the employee performance aspect revealed that productivity is the most crucial factor in performance improvement. Employees reported that their work results often meet or even exceed organizational expectations, supported by effective time management skills.

Therefore, it can be concluded that work culture, organizational commitment, and incentives are essential factors that positively contribute to employee performance, both collectively and individually, within regional government institutions. Furthermore, the study highlights that material incentives aligned with employee expectations play the most dominant role in motivating and enhancing employee productivity.

## Conflicts of Interest

The authors declare no conflict of interest.

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