**The Correlation of Job Promotion, Motivation and Competence in Managerial Practice toward Performance: A Case Study in PT. Samudera Sawit Subur**

**Abstract**

**Aims:**

This study aims to explore the dynamics of job promotion, work motivation, and employee competence in influencing employee performance at PT. Samudera Sawit Subur. This study seeks to understand how each variable individually and collectively contributes to organizational effectiveness.

**Study Design:**

This qualitative case study involved 10 purposively selected informants (managers, section heads, and staff) to explore promotion, motivation, and competencies in a real organizational setting. Data were collected through interviews, observation, and documentation, and analyzed thematically to ensure depth and rigor.

**Place of Study:**

The study was conducted at PT. Samudera Sawit Subur, a palm shell trading company located in North Sumatra, Indonesia. This organization was selected purposively because it actively implements human resource development programs.

**Methodology:**

Data were collected through in-depth interviews with managers and staff, direct observation, and documentation analysis. Informants were selected using purposive sampling with a focus on those involved or affected by job promotions, motivational policies, and competency development. Data were analyzed using thematic analysis to identify patterns and relationships between variables.

**Results:**

The results of the study indicate that competence has a significant influence on employee performance. Competent employees are able to demonstrate higher productivity and effectiveness in completing tasks, confirming the importance of skill development as the main foundation for improving organizational performance. On the other hand, job promotion and individual motivation do not show a significant influence. This is due to employee perceptions that the promotion system is still subjective and inconsistent, as well as work motivation that is hampered by unfairness in the recognition and reward system. However, when the three variables are considered together, a significant contribution to performance improvement is found. This finding underscores the importance of an integrated approach to human resource management.

**Conclusion:**

Practically, these results suggest that organizations need to design a holistic human resource strategy, which not only focuses on improving employee skills, but also improves the promotion and reward system to be more objective and acceptable to all staff. This approach will encourage long-term productivity while increasing employee satisfaction and loyalty, which ultimately contributes to the effectiveness and competitiveness of the organization. Thus, this study provides a relevant contribution to the development of more effective and sustainable managerial policies at PT. Samudera Sawit Subur and similar organizations.

**Keywords:** Human Resource Management, Managerial Practices, Organizational Effectiveness, PT. The Fertile Ocean

# INTRODUCTION

In the era of globalization and increasingly sharp business competition, companies are required to continue to develop managerial strategies that are able to answer the challenges of organizational dynamics (Lestari, 2019). One of the crucial elements in managerial success is the efficient and effective management of human resources (Dissanayake & Nandasena, 2020). Human resources (HR) are not just a production factor, but a strategic asset that determines the direction and success of the company (Šebestová & Popescu, 2022). Therefore, organizations must be able to build a system that supports improving human resource performance through various aspects, one of which is position promotion, motivation, and competence.

PT. Samudera Sawit Subur, a company engaged in agroindustry, especially the buying and selling of palm oil shells, realizes the importance of the role of human resource management in supporting competitiveness. In its managerial practice, the company faces various dynamics in an effort to improve performance through a promotion system, maintenance of work motivation, and competency development.

Promotion of positions at PT. Samudera Sawit Subur is not only seen as a form of appreciation for employee performance, but also as part of the organization's strategy to create a productive work climate. However, it is not known for sure whether the promotion system implemented is able to significantly improve the quality of work. According to Malayu, H. S. & Hasibuan (2017), promotion is an increase in the authority and responsibility of employees that has a direct impact on rights, status, and income. In this context, promotions should be managed objectively and based on a thorough job analysis.

On the other hand, work motivation is an inseparable element in improving performance. Employees who have a strong drive to work are more likely to show a high work ethic, tenacity, and loyalty to the company (Safwan & Abdullah, 2014). Sedarmayanti & Haryanto (2017) emphasizes that motivation is an individual's internal drive that influences how a person acts in his or her work environment. Motivation also determines how well a person perseveres in the face of job challenges.

Strong motivation is believed to improve morale, strengthen a sense of responsibility, and accelerate the achievement of organizational targets (Setiaji & Djastuti, 2015). In practice, the management of PT. Samudera Sawit Subur seeks to foster employee motivation through various incentive approaches and recognition of achievements. In addition to promotion and motivation, the competency factor has a central role. Competencies not only include technical knowledge and skills, but also include the work attitudes and values that an individual brings to his or her work environment.

According to Lumbanraja et al. (2023), competence is the foundation that can be used to predict performance. A competent employee will adapt faster to changes and be able to complete tasks more efficiently. In the context of PT. Samudera Sawit Subur, competency assessment is an important part of the recruitment, promotion, and training and development process of human resources. This shows that there is a managerial awareness that competence is the key to long-term competitiveness.

However, in practice, the integration between job promotion, work motivation, and competencies does not always go smoothly. There are challenges in aligning the three in order to be able to have a synergistic impact on improving overall employee performance. Employee performance, according to (Syuchriah & Suwandi, 2025), is the main indicator of organizational success. Poor performance can create bottlenecks at various levels of operations, from the bottom line to top management.

Therefore, it is important to understand how promotion, motivation, and competence relate to performance, as well as how they interact with each other in the managerial system implemented in the company. This study aims to identify and analyze the dynamics of the relationship between position promotion, work motivation, and competence in influencing performance at PT. Samudera Sawit Subur. By understanding these relationships, company management can formulate a more effective HR development strategy.

Several previous studies have shown that promotion, motivation, and competence each contribute significantly to performance (Firliana et al., 2023). However, in the context of PT. Samudera Sawit Subur, there has not been an in-depth study that studies the three simultaneously. Therefore, this study is important to fill the knowledge gap, as well as provide practical input for management in formulating more accurate and relevant HR policies.

Case study at PT. Samudera Sawit Subur was chosen because the company represents a growing mid-sized industrial entity, with complex organizational dynamics and distinctive HR challenges. The findings of this study are expected to serve as a reference for similar companies in developing HR management strategies, as well as additional literature in the development of organizational theories and performance management.

By combining theoretical analysis and empirical observation, this study aims to produce a more complete understanding of managerial practices based on promotion, work motivation, and competencies, as well as their implications for the achievement of overall organizational goals.

# RESEARCH METHODS

1. Approaches and Types of Research

This research uses a qualitative approach with a case study type. This approach was chosen because the research aims to understand in depth the managerial dynamics that involve promotion, motivation, and competencies in the context of a specific organization, namely PT. Samudera Sawit Subur. The qualitative approach allows researchers to explore the experiences, perceptions, and practices carried out by management and employees through social interactions in the work environment. Case studies are chosen as a type of research because they allow researchers to conduct a thorough exploration of complex phenomena in a real-life context, which in this case is managerial practice at PT. The Fertile Ocean (Assyakurrohim et al., 2023).

1. Research Location and Time

This research was conducted at the head office of PT. Samudera Sawit Subur which is located in the operational area of North Sumatra. The location was chosen purposively because this company is a representation of an organization with a developing managerial structure and actively implements a promotion strategy and human resource development.

1. Research Subjects and Informants

The subjects in this study are employees and managers at PT. Samudera Sawit Subur. The selection of informants was carried out by purposive sampling based on certain criteria, including:

* + Employees who have experienced a promotion in the last two years.
  + Managers or section heads involved in the performance appraisal and promotion process of positions.
  + Employees with a minimum of 3 years of service and understand organizational dynamics.

The number of informants interviewed in this study was 10 people, consisting of 2 managers, 3 section heads, and 5 employee staff from various divisions.

1. Data Collection Techniques

Data collection is carried out using several key techniques (Jogiyanto Hartono, 2018):

* + In-depth Interview

Interviews are conducted in a semi-structured manner so that the informant can explain his views and experiences freely, but still within the framework of questions relevant to the focus of the research.

* + Participatory Observation

The researcher is directly involved in the work environment to observe the dynamics of interaction between employees, the mechanism of promotion of positions, and how motivation and competence are reflected in daily work.

* + Documentation

Company documents such as organizational structure, promotion policies, HR management SOPs, and employee training data are collected as supporting materials and triangulation of data.

1. Data Analysis Techniques

The data was analyzed using thematic analysis techniques. The stages of analysis are carried out as follows (Miles & Huberman, 1992):

* + Data Reduction

The data from interviews and observations were compiled in the form of narratives and then summarized to highlight key themes related to job promotion, work motivation, and competence.

* + Data Presentation

The data that has been reduced is presented in the form of a matrix or thematic category to facilitate the drawing of conclusions.

* + Conclusion Drawing and Verification

Conclusions are drawn from consistent patterns of findings. The verification process is carried out by triangulation between data sources (informants, documents, and observations) to increase the validity of the research results.

1. Data Validity

The validity of the data in this study was tested with four criteria according to Lincoln and Guba, namely:

* + Credibility: Through data triangulation and member checking.
  + Transferability: The researcher provides a detailed contextual description so that the results can be applied in other contexts.
  + Dependability: The researcher documented the entire process of collecting and analyzing data systematically.
  + Verifiability: Avoid bias by recording subjective reflections and opinions separately from the main data.

# RESULTS OF RESEARCH AND DISCUSSION

1. Overview of Research Locations

This research was carried out at PT. Samudera Sawit Subur, a company engaged in buying and selling palm oil shells. The company has a fairly complex organizational structure, with various work units that support operational and managerial processes. In an effort to increase productivity, the company has implemented several human resource management strategies, including promotions based on performance evaluation, providing work motivation through incentives and training, and competency development through periodic training programs.

1. Observation and Interview Results
2. Promotion of Positions

From the results of observations and interviews, promotions in the company are carried out based on the length of service and performance appraisal. However, some informants stated that the promotion process is not fully transparent and often creates a perception of injustice. There is a feeling that the factor of personal closeness to the boss sometimes influences the promotion decision. This has an impact on the job satisfaction level of some employees.

*"I feel that I have worked and achieved for a long time, but I have never received a promotion. Meanwhile, my friend who has just joined has been promoted," said one of the senior employees.*

1. Work Motivation

Employees generally state that work motivation is influenced by the work atmosphere and management support. Some are motivated by recognition for their performance, but not a few complain about the lack of appreciation for the effort they have put in. The incentive system is considered inconsistent and does not always reflect the actual workload.

*"We work hard, but it's not always rewarded. Sometimes those who are lazy are even more seen because they are close to their superiors," complained an employee of the operational division.*

1. Competence

Competency is the dominant factor that reflects the difference in performance between employees. The results of the interviews show that employees who have good technical knowledge and communication skills, are better able to complete the job effectively. Management recognizes the importance of training, but acknowledges that budget constraints are often an obstacle in the implementation of comprehensive competency development programs.

3. Key Findings by Category

For ease of understanding, the main findings can be summarized in the following tables:

# Table 1. Employee Perception of Position Promotion

|  |  |
| --- | --- |
| **Aspects** | **Key Findings** |
| Promotion criteria | Based on working time & evaluation |
| Constraints | Perception of injustice & subjectivity |

Impact on performance Lowers the motivation of some staff

# Table 2. Factors Affecting Work Motivation

|  |  |
| --- | --- |
| **Factor** | **Key Findings** |
| Work environment | Less conducive in some divisions |
| Management support | Uneven between departments |

Reward system Inconsistent and disproportionate

# Table 3. Competencies and Their Impact on Performance

# Types of Competencies Impact on Performance

|  |  |
| --- | --- |
| Technical competence | Improve work efficiency |
| Communication competence | Facilitates coordination between teams |

Leadership competencies Increase trust and effectiveness

# Thematic Analysis

From the analysis of the data collected, it was found that:

* Competency has the strongest relationship with performance improvement. Employees with high levels of competence tend to be more independent, productive, and able to complete complex tasks well. This is also agreed by managers as the main indicator in employee assessment.
* Work motivation, while important, has not been fully addressed optimally. Some of the strategies implemented by the company, such as bonuses and training, are still not enough to answer employees' needs for recognition and justice.
* Promotion is considered to still contain bias and is not entirely based on objective evaluation. This can create tension between employees and reduce morale.

5. Synthesis of Findings

Although overall all three variables (job promotion, work motivation, and competence) contributed to improved employee performance, only competencies showed a real and significant influence based on field findings. This shows that in managerial practice at PT. Samudera Sawit Subur, individual capacity building is more effective in encouraging work outcomes than just structural incentives.

# DISCUSSION

This research aims to understand the dynamics of position promotion, work motivation, and competence in relation to employee performance at PT. Samudera Sawit Subur. Based on the results of observations, interviews, and documentation, it was found that the three variables showed diverse dynamics in managerial practices. In this discussion, each variable will be analyzed in depth, with reference to the theory and results of previous research.

1. Promotion of Positions and Employee Performance

The results of the study show that job promotion has not had a significant effect on employee performance. Even though the promotion is carried out, there is still a perception of injustice in the process. This is in line with the statement Chang & Xue (2020), that promotion should be given on the basis of competence and real contribution, not solely because of personal proximity or working period. These results are also reinforced by research (Sentanu et al., 2022), which found that job promotion had no significant effect on employee performance due to less objective promotion criteria. This shows that promotion of positions that are not based on meritocracy can cause demotivation and reduce work productivity. Nevertheless, the theory of (Mantouw et al.,

2022) states that promotion is an award for performance that should increase the responsibility, authority, and welfare of employees. The incompatibility between practice in the field and this theory is what causes promotion to not have a significant impact on performance improvement at PT. Samudera Sawit Subur.

1. Work Motivation and Employee Performance

Work motivation also did not show a significant influence on employee performance in this study (Parashakti et al., 2020). Some informants said that incentives and recognition have not been felt evenly, which causes some employees to lose their morale. This is contrary to the theory of motivation put forward by (Sutrisno et al., 2022), which states that motivation is the internal drive that makes a person act and maintain work behavior. Research by Sari and Hidayat (2021) supports these results by stating that work motivation does not always have a significant impact on performance, especially if the incentive system is disproportionate or non-transparent. This indicates that motivation is not only about material incentives, but also related to the work environment, recognition, and a sense of justice. On the other hand, the theory (Sedarmayanti & Haryanto, 2017) underlining that motivation is an individual's tendency to respond to work conditions. If the work environment is unsupportive or unfair, then the drive to work optimally can be weakened. This can be seen in the context of this study, where dissatisfaction with the promotion system also reduces motivation.

1. Employee Competencies and Performance

The strongest results in this study were found in the competency variable. Employee competencies show a positive and significant influence on their performance. Employees who have technical skills, in-depth knowledge, and a good work attitude are proven to be better able to achieve targets and complete tasks effectively. This is in line with the theory put forward by Meianto et al. (2021), which states that competence is a combination of knowledge, skills, and attitudes that can predict the success of a person's work. This finding is also strengthened by the research of Putra and Lestari (2019), which found that competence has a significant influence on employee performance. When employees feel capable and skillfully prepared, they are more confident in completing their work, and this has an impact on improving overall performance. In addition, the theory of (Mulia & Saputra, 2021) stating that competence is an ability that reflects excellence in the implementation of tasks and work in accordance with organizational standards. In practice at PT. Samudera Sawit Subur, employees who have high competence have proven to be the spearhead of the company's operational success.

1. Simultaneous Combination of Promotion, Motivation, and Competence

Simultaneously, all three variables—job promotion, work motivation, and competence—have a significant effect on employee performance. This shows that although individually promotions and motivations have not shown a strong influence, but in a combinatorial context, they still contribute to performance improvement. These results are in line with research (Ilim et al., 2024), which found that a combination of different managerial factors can affect performance more thoroughly than their respective influences partially. In this case, companies need to see the HR management strategy as an integrated system. This support can also be found in the concept of strategic human resource management, which prioritizes synergy between capacity building (competence), healthy work motivation, and a clear career path through promotion. The three if applied harmoniously will create a productive and sustainable work environment.

# CONCLUSION

Based on the results of research that has been carried out through a qualitative approach with a case study at PT. Samudera Sawit Subur, it can be concluded that managerial dynamics involving job promotion, work motivation, and competence have a different impact on employee performance. These three variables, although interrelated, show an unequal degree of influence both partially and simultaneously on employee work outcomes. Promotions, as found in this study, have not been able to drive a significant improvement in employee performance. This is due to the unclear promotion mechanism, the perception of subjectivity in determining promotion candidates, and the implementation of the meritocratic system has not been maximized. Dissatisfaction with the promotion system led to a decrease in work morale and loyalty among some employees. Work motivation has also not shown a significant influence on improving employee performance. Although the company has tried to provide incentives and recognition for achievements, the implementation has not been even and consistent. The work environment that is not fully supportive and the lack of a sense of justice makes motivation not develop optimally among employees. On the contrary, competence has proven to be the most dominant factor in improving employee performance. Employees who have good technical skills, knowledge, and interpersonal skills show high work performance. Strong competencies make it easier to adapt to work demands and encourage more effective and efficient completion of tasks. Thus, strengthening competencies through training and development is a strategic step that needs to be prioritized by management.

Disclaimer (Artificial intelligence)

Option 1:

Author(s) hereby declare that NO generative AI technologies such as Large Language Models (ChatGPT, COPILOT, etc.) and text-to-image generators have been used during the writing or editing of this manuscript.

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