



Value Based Leadership and The Organizational Environment's Effects on The Performance of The Regional People's Representative Council, Mediated by Work Motivation

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ABSTRACT: This research aims to analyze the influence of value-based leadership and organizational environment on the performance of the Padang City DPRD with work motivation as a mediating variable. This research uses a quantitative approach with a cross-sectional survey design. The research population was 104 people consisting of members of the Padang City DPRD for the 2024-2029 period and Padang City DPRD Secretariat staff. The sampling technique uses the total sampling method. Data analysis uses the Structural Equation Modeling Partial Least Squares (SEM-PLS) method. The research results show that value-based leadership has a positive and significant effect on the performance of the Padang City DPRD ($\beta = 0.175$; t -statistic = 2.051; p -value = 0.040). The organizational environment has a negative and insignificant direct influence on DPRD performance in both physical and non-physical dimensions ($\beta = -0.0008$; t -statistic = 0.065; p -value = 0.948). Furthermore, value-based leadership has a positive influence on work motivation ($\beta = 0.398$; t -statistic = 5.995; p -value = 0.000), while the organizational environment has a stronger influence on work motivation ($\beta = 0.552$; t -statistic = 8.907; p -value = 0.000). Work motivation is proven to be the dominant factor influencing DPRD performance ($\beta = 0.674$; t -statistic = 5.403; p -value = 0.000). Testing the mediation effect shows that work motivation is able to mediate the influence of value-based leadership and organizational environment on DPRD performance.

KEYWORDS: Values-Based Leadership, Organizational Environment, Work Motivation, Performance

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I. INTRODUCTION

The Padang City Regional House of Representatives (DPRD) is a local legislative body tasked with legislative, budgetary, and oversight functions, in accordance with Law Number 23 of 2014 concerning Regional Government. In carrying out these functions, DPRD members are supported by the DPRD secretariat. However, in practice, the performance of the Padang City DPRD still faces various challenges in executing its duties and responsibilities.

A 2024 report by the Audit Board of the Republic of Indonesia (BPK), for instance, revealed an overpayment of IDR 1.1 billion regarding the activities of the Padang City DPRD Secretariat. This finding indicates weaknesses in internal controls and the efficiency of public budget utilization (BPK West Sumatra, 2024). Furthermore, the DPRD's oversight role regarding the performance of Regional Apparatus Organizations (OPD) remains suboptimal. In the third quarter of 2025, five OPDs were recorded as having realized only about 30–60% of their Locally-Generated Revenue (PAD) targets, illustrating the weakness of the DPRD's oversight function regarding local government performance (Valora News, 2025). This situation not only erodes public trust in the DPRD but also highlights the gap between actual conditions and the ideal standard of legislative performance.

Ideally, the DPRD is expected to function as an institution that is accountable, transparent, and responsive to the aspirations of the community. The DPRD should be evaluated not merely by the number of local regulations produced, but also by the quality of policies that substantively address the community's needs.

However, current conditions show that the DPRD still faces structural and cultural obstacles preventing it from achieving optimal performance. Weak oversight of budget utilization, a lack of transparency in the legislative process, and insufficient responsiveness to public aspirations are issues that require immediate attention (Firdaus & Zaimasuri, 2023). Accountability is a crucial prerequisite for maintaining the legitimacy of the legislative body, given that the DPRD serves as the political representative of the people, elected through democratic mechanisms. According to Wardan (2025), public accountability is not merely perceived as an administrative obligation to submit accountability reports; it also encompasses moral, ethical, and social dimensions that emphasize transparency, information openness, and the public participation inherent in representative institutions. Value-based leadership emerges as a highly relevant approach to addressing the performance challenges faced by the Regional House of Representatives (DPRD). It asserts that value-based leadership can inspire and motivate organizational members to work beyond personal interests by emphasizing integrity, long-term vision, and collective interests. If this leadership style is adopted by DPRD leaders or commission chairs, it fosters a more visionary policy direction, more open communication patterns, and a work climate that encourages public participation.

Based on the literature review, motivation serves as an intervening variable in the relationship between leadership style and performance, where an individual's productivity gains depend heavily on their ability to complete tasks and work assignments (H.p. & Sawitri, 2017). Nevertheless, there remains a research gap regarding the extent to which leadership grounded in ethical values can consistently trigger the internal drive of employees to achieve optimal organizational performance (Sari, 2019; Tarigan & Rozzyana, 2018). While previous studies consistently demonstrate the crucial role of motivation as a link between leadership style and performance, few studies specifically examine the mediating role of motivation in the relationship between value-based leadership and organizational performance (Hamzah & Sarwoko, 2020).

Anisah (2023) found a positive correlation between leadership and employee performance, with intrinsic motivation acting as a mediating factor. Meanwhile, research by Sutanto and Ratnawati (2019) demonstrated that a conducive organizational climate positively influences employee performance, although this influence is partially mediated by work motivation. In the context of the public sector, Dewi and Fenia (2025) also demonstrate that work motivation acts as a link between organizational culture, leadership, and employee performance at the Padang Panjang City Regional House of Representatives (DPRD), highlighting the empirical relevance of this variable in legislative studies.

This highlights the need for deeper study to understand how value-based leadership and the organizational environment can foster intrinsic employee motivation, ultimately enhancing trust, a sense of being valued, and a sense of responsibility regarding the achievement of organizational goals (Mukaromah, 2022; Prato et al., 2020). This study seeks to address this gap by empirically examining how value-based leadership and the organizational environment influence organizational performance through the strengthening of work motivation; it also aims to elucidate the psychological mechanisms linking a leader's role-modeling specifically in disseminating organizational values to an increased internal drive among employees to perform better and focus on achieving shared goals (Fikri et al., 2021; Sari, 2019).

In the context of the Padang City Regional House of Representatives (DPRD), work motivation is a crucial factor, as council members and secretariat staff face complex challenges that are not merely administrative but also political in nature. Without strong motivation, DPRD members tend to carry out legislative and oversight functions in a perfunctory manner, lacking the drive to achieve substantive policy quality. Conversely, high work motivation encourages members to actively champion public aspirations, enhance oversight of local government performance, and produce high-quality regulations. Thus, work motivation serves as a vital variable bridging the relationship between value-based leadership, the organizational environment, and DPRD performance. This underscores the importance of researching the mediating role of work motivation within the Padang City DPRD, aiming to provide empirical evidence and practical recommendations for enhancing the effectiveness of the local legislative body.

Consequently, it is evident that improving the performance of the Padang City DPRD is inextricably linked to the quality of value-based leadership, a conducive organizational environment, and high work motivation. These three variables interact and contribute to shaping a legislative body that is more effective, accountable, and representative. Therefore, this study is important to empirically analyze the influence of value-based leadership and the organizational environment on the organizational performance of the Padang City Council (DPRD), with work motivation serving as a mediating variable.

II. LITERATURE REVIEW

1. The Influence of Value-Based Leadership on Organizational Performance

Value-based leadership exerts a highly significant influence on organizational performance. Analyses of prior research reveal that value-based leadership emphasizes ethical principles, which serve as the foundation for decision-making and leader behavior in guiding the organization (Gede et al., 2023). Numerous studies indicate that leadership grounded in ethical values has a positive and significant impact on enhancing organizational performance (Gede et al., 2023; Pardamean & Karundeng, 2023). Consistent with this, research conducted by Loh et al., as well as by Hicks and Pearce, demonstrates that the dimension of spirituality—often linked to leadership values—influences organizational performance by boosting employee motivation and engagement (Kamilah et al., 2023; Pujiyanto & Larassaty, 2023).

H1: Value-based leadership has a positive and significant influence on the organizational performance of the Padang City Regional House of Representatives (DPRD).

2. Influence of the Organizational Environment on Organizational Performance

The organizational environment plays a crucial role in shaping institutional performance, as Utami, (2021) shows that a positive organizational climate encourages workforce involvement and productivity. Krisnaldy et al., (2019) emphasize that a work climate that fosters mutual trust and open communication strengthens collaboration, increasing the possibility of achieving joint targets. Juwita, (2023) empirically proves that a work atmosphere that is full of encouragement for innovation and appreciation for contributions increases motivation and ultimately has an impact on the quality of work results. Llopis & Foss, (2016) link a climate that is open to the exploration of new ideas with the acceleration of business innovation and competitiveness. Westscience, (2023) confirms the real effect of a supportive environment on the stability and effectiveness of work processes. The link between organizational climate and performance is rooted in the comfort and appropriateness of interaction between employees, which in turn facilitates the transfer of knowledge and acceptance of change. Utami (2021) found that access to self-development and rewards in a positive climate contributes to institutional resilience amidst competition. Krisnaldy et al. (2019) proves that a work climate that encourages initiative and participation is able to maintain high work motivation. Juwita (2023) recommends strengthening work systems based on a supportive climate for business process efficiency. Llopis & Foss (2016) appreciate the innovative climate as supporting the achievement of organizational outcomes. Westscience (2023) proves that a supportive climate accelerates the achievement of strategic targets with high efficiency.

H2: The organizational environment has a positive and significant effect on the organizational performance of the Padang City DPRD.

3. The Influence of Values-Based Leadership on Work Motivation

Work motivation is a crucial aspect that must be paid attention to by companies because employees who have positive motivation will try their best to complete the tasks and responsibilities that have been given to achieve organizational goals (Maytania, 2022). The role of leaders is very important in creating a professional and focused work environment, because the right leadership style has the potential to increase employee motivation to achieve optimal performance (Kurniawan & Nugroho, 2024; Mukaromah, 2022). Previous research shows that quality leadership applied with an approach that provides transformative influence and motivation can encourage employees to work harder, increase efficiency and achieve company goals (Maytania, 2022). Based on literature studies, effective leadership is greatly influenced by the leader's personality, where a leader's leadership style has a big influence on the work motivation of members or subordinates to have a strong influence that is able to change awareness, raise enthusiasm and encourage employees to pursue the company's vision, mission and goals (Sarlia et al., 2021). Several previous studies have confirmed that the leadership style applied by leaders has a direct influence on employee work motivation, where leaders who are able to inspire and provide clear direction will increase subordinates' work morale (Fauzi et al., 2023; Kurniawan & Andani, 2025).

H3: Values-based leadership has a positive and significant effect on the work motivation of Padang City DPRD members and staff

4. The Influence of the Organizational Environment on Work Motivation

The work environment has a strong and significant influence on employee work motivation. Westscience (2023) shows that a supportive and communicative work climate encourages active participation, fosters motivation to learn and develop. Utami (2021) shows that a competitive and educational work atmosphere increases employees' self-confidence and enthusiasm for their duties and responsibilities. Krisnaldy et al. (2019) found that a work atmosphere that encourages innovation and appreciates individual efforts triggers motivation for higher achievement. Pratiwi, (2018) identified that a sense of security and trust in the work environment has a direct effect on the progress of employee motivation and engagement. Madhukar & Sharma, (2017) emphasized that a healthy climate fosters intrinsic drive and increases persistence in

achieving work. High work motivation grows from social interaction, providing clear appreciation, and a work atmosphere that encourages new ideas and experiences. Westscience (2023) explains that work climate encourages employees to be braver in facing challenges and eliminating psychological barriers. Utami (2021) details that an open work atmosphere provides space for the development of innovation within the team. Krisnaldy et al. (2019) strengthens the role of recognition and training in building output-oriented work motivation. Pratiwi (2018) highlights how the provision of group study spaces supports sustainable work motivation. Madhukar & Sharma (2017) prove that a healthy climate strengthens motivational resilience in the organizational environment.

H4: The organizational environment has a positive and significant effect on the work motivation of Padang City DPRD members and staff.

5. The Influence of Work Motivation on Organizational Performance

Work motivation has a very significant impact on the quality and achievement of organizational performance. Panjaitan (2024) found motivation as the foundation for achieving work targets and the main driver of institutional transformation in facing business challenges. Utami (2021) emphasizes the role of rewards and self-development as the main drivers of motivation that produce efficiency and quality of task implementation. Hoch et al. (2018) identified motivation as a stabilizer that maintains the consistency of achieving optimal performance. Krisnaldy et al. (2019) proves that work motivation is the main foundation for creating fighting power and high-quality output in work groups. Consistent and quality work motivation channels positive energy to simultaneously improve individual and team performance. Panjaitan (2024) concluded that motivation influences the creation of dynamic and adaptive work strategies. Utami (2021) links the success of an organization's output to the level of motivation that is maintained throughout the work period. Hoch et al. (2018) emphasizes the influence of motivation as a differentiator of institutional superiority compared to competitors. Krisnaldy et al. (2019) established the fact that work motivation interacts directly with task achievement and job satisfaction.

H5: Work motivation has a positive and significant effect on the organizational performance of the Padang City DPRD.

6. The role of work motivation mediates the influence of values-based leadership on organizational performance

Work motivation is a significant mediator in the relationship between values-based leadership and organizational performance. Panjaitan (2024) emphasized that transformational leadership influences employee performance achievement through work motivation that grows as a response to leadership interactions with team members. Marlita et al. (2024) reinforces that motivation-driven leadership produces positive synergy, increasing the contribution to achieving institutional output. Hoch et al. (2018) empirically proves the mediating effect of work motivation on various organizational outcomes, including engagement, commitment, and high task performance. Fakhrizni (2024) identified work motivation as connecting inspirational leadership with final results, maximizing the transfer of leadership influence. Leaders' intrinsic motivation significantly influences their effectiveness, influencing their ability to inspire and guide teams (Vilkinas et al., 2019). A developing view is that a values-based leadership strategy works optimally if employee work motivation is activated through guidance and providing measurable rewards. Panjaitan (2024) proves that motivational mediation strengthens leadership outcomes on work performance. Marlita et al. (2024) emphasize the importance of integrating motivation with team development. Hoch et al. (2018) highlighted that work motivation as a link makes leadership more adaptive and progressive. Fakhrizni (2024) shows the transfer of influence from leaders to employees through motivation.

H6: Work motivation mediates the influence of value-based leadership on the organizational performance of the Padang City DPRD.

7. The Role of Work Motivation in Mediating the Influence of the Organizational Environment on Organizational Performance

Work motivation has a very important mediating capacity between work climate and institutional performance. Utami (2021) shows that an educational and inclusive work climate stimulates work motivation very effectively, so that organizational outcomes increase sharply. WSJ Westscience (2023) found that innovative work environments increase motivation, which impacts team performance and institutional competitiveness. Krisnaldy et al. (2019) documented an organizational climate that supports building motivation which mediates the relationship with productivity. Madhukar and Sharma (2017) show a healthy climate as an incubator of motivation for achieving optimal work results. Pratiwi (2018) validated the role of work motivation as the main mediator that connects a supportive work atmosphere with strengthening teamwork and effective results. Work motivation as a mediator explains why a good organizational climate always leads to superior business and team performance. Utami (2021) emphasizes the provision of rewards and training as the main drivers of motivation in climate-performance mediation.

WSJ Westscience (2023) shows that an open communication climate strengthens motivation and output. Krisnaldy et al. (2019) recommends transformation of work facilities that encourage innovation as a form of mediating motivation. Madhukar & Sharma (2017) prove that work motivation resulting from a healthy climate builds organizational resilience. Pratiwi (2018) emphasized the mediation of work motivation as the main determinant of the effectiveness of communication and collaboration in achieving institutional results.

H7: Work motivation mediates the influence of the organizational environment on the organizational performance of the Padang City DPRD.

III. METHODOLOGY

This study employs a quantitative approach with a cross-sectional survey design to analyze the influence of value-based leadership and the organizational environment on the performance of the Padang City Regional House of Representatives (DPRD), with work motivation serving as a mediating variable. The research was conducted at the Padang City DPRD during the 2025–2026 period.

The study population consists of 104 individuals, comprising 41 members of the Padang City DPRD (2024–2029 term) and 63 staff members of the Padang City DPRD Secretariat. A total sampling technique was used, meaning the entire population served as the study's respondents.

The research data comprise both primary and secondary data. Primary data were obtained through the distribution of Likert-scale questionnaires, while secondary data were gathered from Padang City DPRD Secretariat documents, laws and regulations, as well as relevant literature and findings from previous studies.

The research variables include value-based leadership as an independent variable (measured via ethical, authentic, and moral dimensions); the organizational environment as an independent variable (measured via physical, non-physical, and socio-psychological aspects, as well as organizational support); work motivation as a mediating variable (measured via expectancy, instrumentality, and valence indicators); and DPRD performance as the dependent variable (measured via work volume, work quality, and work willingness).

Data were analyzed using Partial Least Squares Structural Equation Modeling (SEM-PLS). The analysis involved testing the measurement model (outer model) covering validity and reliability and the structural model (inner model) to examine the direct and indirect effects between the research variables. Figure 1 illustrates the research's conceptual framework, wherein each variable represents a grand theory applied in this study.

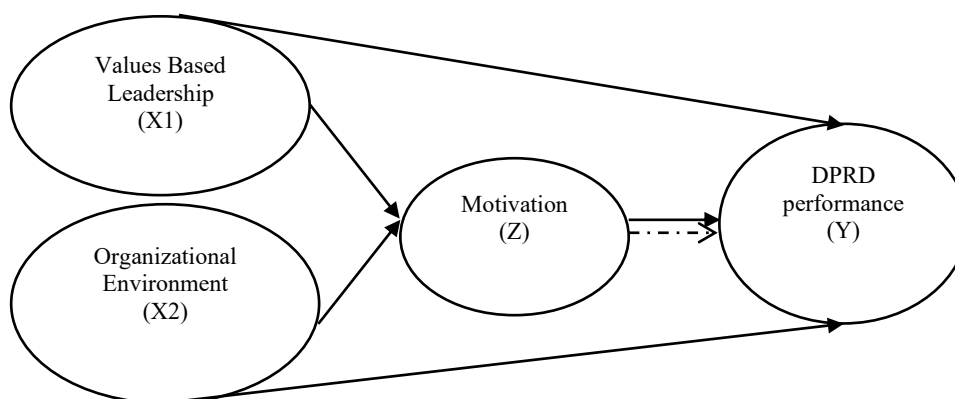


Figure 1: Research Conceptual Framework

IV. FINDINGS

Results

Based on the test results data, all latent variables show that they fulfill the criteria for excellent internal consistency reliability. In detail, the Cronbach's Alpha (CA) and Composite Reliability (CR) values obtained for the Values-Based Leadership variable were 0.852 and 0.863, followed by the Performance variable of 0.922 and 0.925, and the Organizational Environment variable which recorded the highest values, namely 0.934 and 0.938. Furthermore, the Motivation variable also shows a strong index value with a Cronbach's Alpha of 0.895 and a Composite Reliability of 0.898. Because all latent variable constructs in this study consistently produce CA and

CR values that are above the critical threshold of 0.70, it can be concluded that the entire research instrument has proven to be reliable, reliable and valid for use in subsequent model analysis.

The inner model is a structural model to predict causal relationships between latent variables. Evaluation of the inner model is to evaluate the influence of inter-latent constructs and hypothesis testing. Figure 2 and table 1 below explain the results of the inner model analysis to predict causal relationships. The influence of value-based leadership, organizational environment on performance which is mediated by work motivation in the Padang City DPRD organization.

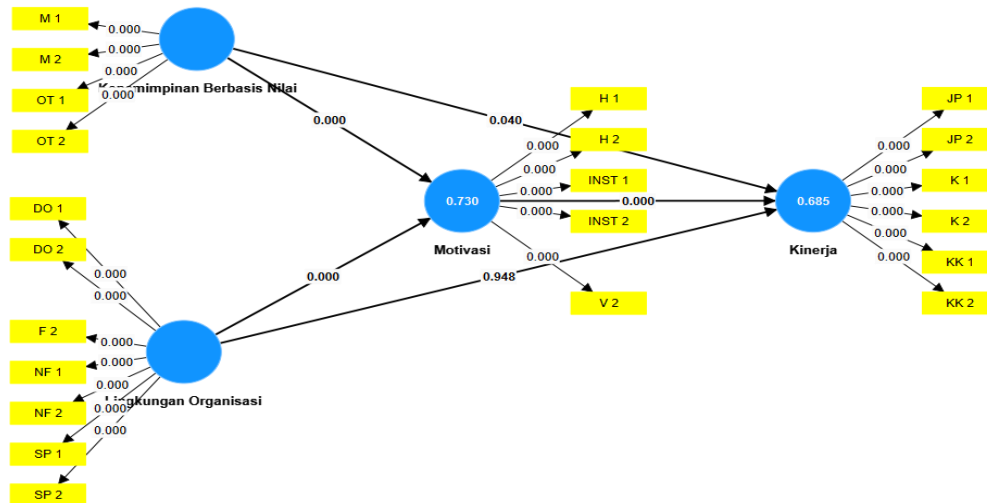


Figure 2. Inner Model Results
Source: Primary data processing using smart pls 4

Table. 2
Significance Testing Results Of The Structural Model Path Coefficients

Hypothesis	Path	Original Sample (O)	T-Statistics	P-Values	Decision
H1	Value-Based Leadership → Performance	0.203	2.051	0.040	Accepted
H2	Organizational Environment → Performance	-0.008	0.065	0.948	Rejected
H3	Value-Based Leadership → Motivation	0.398	5.995	0.000	Accepted
H4	Organizational Environment → Motivation	0.552	8.907	0.000	Accepted
H5	Motivation → Performance	0.674	5.043	0.000	Accepted
H6	Value-Based Leadership → Motivation → Performance	0.269	3.667	0.000	Accepted
H7	Organizational Environment → Motivation → Performance	0.372	4.302	0.000	Accepted

Source: SmartPLS 4 primary data, 2026

Table Significance Testing Results Of The Structural Model Path Coefficients explains that:

1. Value-based leadership has a positive and significant effect on the performance of the Padang City DPRD with a coefficient value of 0.203, t-statistics 2.051, and p-value 0.040. These results show that the higher the application of ethical, integrity and moral values in leadership, the better the organizational performance. These findings support the value-based leadership theory which emphasizes the importance of leader example in increasing organizational effectiveness.
2. The organizational environment has a negative and insignificant effect on performance with a coefficient of -0.008, t-statistics 0.065, and p-value 0.948. The emergence of this negative coefficient value provides an empirical indication that the arrangement of the work environment in both physical and non-physical dimensions within the Padang City DPRD has not been in line with the pattern of increasing employee productivity.
3. Value-based leadership also has a positive and significant effect on work motivation with a coefficient of 0.398, t-statistics 5.995, and p-value 0.000. These results indicate that leaders who demonstrate ethical, authentic and moral behavior are able to increase employee morale and work commitment.
4. Furthermore, the organizational environment has a positive and significant influence on work motivation with a coefficient of 0.552, t-statistics 8.907, and p-value 0.000. This value is one of the largest

coefficients in the model, which shows that the organizational environment is the main determinant in shaping the work motivation of Padang City DPRD members and staff.

5. Work motivation has been proven to have a positive and significant effect on performance with a coefficient of 0.674, t-statistics of 5.043, and p-value of 0.000. These findings indicate that work motivation is the most dominant variable in improving organizational performance. The higher the employee's work motivation, the higher the performance produced in carrying out the duties and functions of the organization. Based on the results of data analysis, the influence of work motivation on performance shows a coefficient value of 0.674 with t-statistics of 5.043 and p-values of 0.000, which means that work motivation has a positive and significant effect on the performance of Padang City DPRD members and staff.
6. The indirect influence of value-based leadership on the organizational performance of the Padang City DPRD through motivation is also significant (p-values 0.004). This shows that work motivation acts as a mediating variable that is able to continue the positive influence of value-based leadership on improving organizational performance, where an ethical and inspiring leadership style is proven to be effective in raising employee morale which ultimately has an impact on optimizing performance.
7. The indirect influence of the organizational environment on performance through motivation shows significant results (p-values 0.000), which means that motivation acts as a mediating variable that is able to continue the positive influence of the organizational environment on improving the performance of members and staff of the Padang City DPRD.

Discussion

The relationship between value-based leadership and performance yielded a coefficient of 0.175, with a t-statistic of 2.051 and a p-value of 0.040. These findings indicate that value-based leadership has a significant and positive influence on the organizational performance of the Padang City DPRD; specifically, enhancing the quality of leadership grounded in ethical values contributes to improved organizational performance. This study supports previous research stating that leadership has a positive and significant impact on employee performance (Sukaisih et al., 2022). These findings are also consistent with expert theories regarding the crucial role of leaders in guiding and motivating subordinates to achieve organizational goals optimally (Firdaus et al., 2024; Umar et al., 2022). Based on these results, the Padang City DPRD can enhance organizational performance by optimizing the role of leaders who apply ethical values in decision-making and staff guidance. This aligns with expert views that an effective leadership style is a key factor in boosting productivity and organizational performance (Adawiyah & Margono, 2024; Kurniawan & Nugroho, 2024).

Testing the direct effect on the relationship between the organizational environment and employee performance in the Padang City DPRD shows that the path coefficient (original sample) value is negative at -0.008, with t-statistics achieved at 0.065 and p-values at 0.948. These statistical parameters confirm that the organizational environment has a negative and insignificant direct influence on performance, so the second hypothesis in this research is rejected. The emergence of this negative coefficient direction provides an empirical indication that the arrangement of the work environment, both physical and non-physical dimensions within the Padang City DPRD, has not been in line with the pattern of increasing employee productivity. This phenomenon suggests that there is a condition where repairs or arrangements of physical facilities and work atmosphere that are carried out independently without touching on the psychological aspects or internal motivation of employees actually have the potential to cause boredom, distraction or bureaucratic discomfort which hinders the effectiveness of completing administrative and legislative tasks. The research results which show that the influence is not significant and has a negative direction are strongly supported by several previous empirical findings which also document similar rejection of work environment variables. Research conducted by (Saputra & Handayani, 2021) states that the work environment does not have a significant influence on operational performance due to structural saturation and slow adaptation of facilities. In line with this, Pratama et al., (2023) in their study of public agencies found that organizational environmental interactions sometimes trigger a negative correlation with work output if it is not balanced with clarity of workload and competency. Furthermore, Nugroho & Wijaya, (2024) emphasized that aspects of the physical environment are often neutral or even directly reduce employee work efficiency if the internal communication climate within the organization is not well developed. Based on objective conditions in the Padang City DPRD, this finding provides crucial theoretical confirmation that improving aspects of the organization's physical environment will never be able to directly control employee performance achievements, but requires other intervention variables such as stimulating work motivation first so that the positive impact can be created optimally.

The influence of value-based leadership in the Padang City DPRD on motivation shows a coefficient of 0.398 with t-statistics of 5.995 and p-values of 0.000. This indicates that value-based leadership has a positive and significant effect on the work motivation of Padang City DPRD members and staff. These findings show

that leaders who are able to emulate ethical and moral values play an important role in increasing employee morale and commitment to achieving organizational goals, in line with the results of previous research which states that an effective leadership style has a positive effect on employee work motivation (Maydilla & Fitriani, 2022). The findings of this research prove that the application of ethical values in leadership is able to build internal encouragement for employees to work more diligently and be highly dedicated to the organization (Arjun et al., 2022; Rahmawati et al., 2023). Herzberg's Two Factor Theory explains that intrinsic motivation triggered by recognition, responsibility and personal growth has a crucial role in increasing work morale and organizational commitment (Ayomi et al., 2025). This theory strengthens empirical findings that leadership based on noble values is able to fulfill employees' psychological needs so that there is an internal drive to work harder and be highly dedicated to the organization (Manuain, 2022). Based on these findings, the leadership of the Padang City DPRD can strengthen employee work motivation by consistently showing exemplary ethical behavior and providing inspirational direction to encourage higher organizational commitment (Manuain, 2022; Zahratulfarhah et al., 2022).

The influence of the Padang City Council's organizational environment on the motivation of its members and staff yielded a coefficient of 0.552, with a t-statistic of 8.907 and a p-value of 0.000. This indicates that the organizational environment plays a highly dominant role in shaping employee work motivation; a conducive work atmosphere, harmonious interpersonal relationships, and adequate facility support significantly boost work morale. Motivation theory posits that external factors such as working conditions, interpersonal relationships, and organizational support are crucial elements that can trigger the drive to work and foster employee satisfaction (Dewanti et al., 2022). Beyond these external factors, high personal needs serve as an internal driver, compelling individuals to strive toward established goals and work hard for success; consequently, leadership plays a critical role in motivating employees to perform at their best (Syahputra et al., 2023). This aligns with prior research indicating that motivation has a positive and significant impact on employee performance (Syahputra et al., 2023). These findings demonstrate that a conducive organizational environment not only stimulates the drive to work but also directly contributes to improved employee performance a conclusion supported by theories stating that extrinsic factors like working conditions and interpersonal relationships are essential for building work motivation and employee satisfaction (Shobirin & Siharis, 2022; Wulandari & Nurhayati, 2023). Based on these findings, the Padang City Council needs to create and maintain a conducive work atmosphere and harmonious interpersonal relationships. External factors—such as facility support and positive working relationships have been proven to play a vital role in stimulating the internal drive of employees to work harder and remain highly dedicated to the organization (Ariyanto et al., 2022; Fajriyanti et al., 2023).

Based on the data analysis, the influence of work motivation on performance yielded a coefficient of 0.674, with a t-statistic of 5.043 and a p-value of 0.000; this indicates that work motivation has a positive and significant impact on the performance of Padang City DPRD members and staff. These findings suggest that higher levels of employee work motivation lead to improved performance in carrying out legislative duties and functions, aligning with previous research stating that work motivation positively and significantly influences employee performance (Rahayu & Dahlia, 2023; Syahputra et al., 2023). These results reinforce the view that an employee's internal drive is a key determinant in achieving organizational goals, consistent with motivation theories stating that the desire to achieve objectives generates an impetus that fuels work enthusiasm (Setyowati et al., 2023). Providing appropriate motivation—through performance-based rewards and the fulfillment of employees' psychological needs is crucial for stimulating job satisfaction and driving optimal work outcomes. This aligns with prior studies confirming a positive and significant correlation between work motivation and employee performance (Ariyanto et al., 2022; Saputra & Syamsir, 2022). Enhanced employee performance can be achieved when human resource development initiatives take into account employee motivation, skills, and the utilization of adequate facilities and infrastructure (Dewi, 2022). Based on these findings, the leadership of the Padang City DPRD should prioritize providing fair incentives, performance-based recognition, and career development opportunities to boost employees' internal drive and achieve optimal performance (Hasica et al., 2023; Wardhana et al., 2023).

The indirect influence of value-based leadership on the organizational performance of the Padang City DPRD through motivation is also significant (p-values 0.004). This shows that work motivation acts as a mediating variable that is able to continue the positive influence of value-based leadership on improving organizational performance, where an ethical and inspiring leadership style is proven to be effective in raising employee morale which ultimately has an impact on optimizing performance. This finding is in line with research by Nisyak and Aldi & Susanti which states that leadership and motivation have a positive and significant effect on employee performance (Syahputra et al., 2023). This indicates that leadership based on noble values is able to meet the psychological needs of employees so that internal encouragement arises to work more actively and be highly dedicated to the organization (Palupi & Zulfa, 2024; Syahputra et al., 2023).

Experts also say that motivation is a psychological process that generates and directs behavior towards achieving goals, so leaders need to understand this process to guide employees towards completing organizational goals (Setiawan, 2021). Based on these findings, the leadership of the Padang City DPRD needs to strengthen ethical and inspiring leadership values to trigger internal encouragement in employees, because a leadership style based on noble values has proven to be effective in increasing motivation which ultimately has an impact on optimizing organizational performance (Fauzan et al., 2023; Sihalo, 2021).

The indirect influence of the organizational environment on performance through motivation shows significant results (p-values 0.000), which means that motivation acts as a mediating variable that is able to continue the positive influence of the organizational environment on improving the performance of members and staff of the Padang City DPRD. The findings of this research explain that a conducive organizational environment not only increases work motivation, but also indirectly improves employee performance through the formation of strong internal encouragement (Apriani et al., 2024; Hafidzi et al., 2023). This is in line with the theory which states that supportive external factors will trigger the emergence of internal encouragement to work harder and be more dedicated to the organization (Hamidah, 2025; Kurniawan & Andani, 2025). The results of this research confirm that supportive work environment conditions act as a catalyst in forming employee intrinsic motivation, which is then translated into increased actual performance (Fatirah & Nawawi, 2021; Sukasih et al., 2022). Thus, a supportive organizational environment functions as an external foundation that strengthens intrinsic motivation, thus encouraging employees to achieve more optimal work results. This is in line with previous research which found that the work environment influences performance indirectly through work motivation as a mediating variable (Fatirah & Nawawi, 2021; Kurniawan et al., 2022).

Based on the results of the analysis that has been described, it can be concluded that the organizational environment and value-based leadership have a significant influence on performance, both directly and indirectly through work motivation as a mediating variable (Irfan & Mahargiono, 2023; Irvandhel et al., 2024). These results are in line with previous research which found that the work environment and leadership influence employee performance through work motivation as a mediating variable (Hafidzi et al., 2023; Yuana et al., 2025).

Based on these findings, the leadership of the DPRD Padang City needs to create conducive, comfortable and supportive working conditions and pay attention to the physical and non-physical aspects of the organizational environment as a strategic effort to generate and maintain employee intrinsic motivation, because a supportive environment has been proven to act as a catalyst in improving performance through the formation of strong internal encouragement (Arjun et al., 2022; Lucky et al., 2023).

V. CONCLUSION

Based on the results of the analysis and discussion that has been carried out, this research concludes that the organizational environment and value-based leadership have a significant influence on the performance of Padang City DPRD employees, both directly and through work motivation as a mediating variable. These results confirm that supportive work environment conditions and a leadership style based on ethical values act as the main driving factors in forming employees' intrinsic motivation, which then leads to increased productivity and achievement of organizational performance.

This finding is in line with previous research which confirms that a conducive work environment and leadership support are key factors in encouraging work morale and improving employee performance (Alisna & fernos, 2021; Saputrajaya et al., 2023). In addition, leadership based on ethical values has been proven to be able to build strong organizational commitment, so that employees feel encouraged to make maximum contributions to achieve common goals. This exchange of positive contributions is reflected in employees' commitment to reciprocate organizational support through increased productivity and achievement of higher work goals.

Specifically, work motivation has been proven to act as a significant mediating variable in linking the influence of the organizational environment and values-based leadership on employee performance. This shows that conducive external factors and an inspiring leadership style are able to trigger internal encouragement for employees to work more optimally, thereby increasing productivity and achieving overall organizational goals.

Overall, the results of this research strengthen the understanding of the importance of integration between physical factors of the work environment and psychological aspects of leadership in creating a productive organizational climate, where employees are not only motivated by material incentives but also by leadership values that are able to inspire dedication and sustainable organizational commitment. Specifically, this research confirms that a conducive organizational environment and values-based leadership have a crucial

role in shaping employee intrinsic motivation, which in turn increases individual performance and the achievement of overall organizational goals.

The theoretical implications of this research contribute to the development of management science by enriching understanding of the psychological mechanisms that link external factors such as the work environment and values-based leadership to individual performance through intrinsic motivation (Anshori et al., 2025). The practical implications of this research emphasize the need for continued attention from management to aspects of the work environment and the development of a leadership style that is oriented towards noble values, because these two factors have been proven to be the main drivers for the formation of intrinsic motivation and increased employee performance (Fikri et al., 2021). Apart from that, the results of this research also show that there are other variables that have the potential to influence employee performance but have not been studied in this research, thus opening up opportunities for future researchers to develop research models by adding relevant variables (Damayanti et al., 2022).

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