Employee Performance and Influenced By Competency, Leadership, and Commitment

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Abstract: The objective of this study is to examine the impact of competence, leadership, and organizational commitment on performance. A total of 471 employees were selected as the sample for this research. The research design utilized was descriptive and focused on establishing causal relationships. Data analysis was carried out using SPSS version 5. The research instruments included data engineering analysis and hypothesis testing. The findings of the study indicate that the combined variables of competence, leadership, and commitment account for 81.6% of the variance in employee performance. Furthermore, it was observed that there is a significant and tangible influence of competence, leadership, and commitment on employee performance when these factors are considered simultaneously.

Keywords: Competence, Leadership, Commitment, Performance.

INTRODUCTION

The presence of resources plays a vital role in enhancing the well-being of humanity within the realm of organizational operations. Each individual resource within a company possesses a unique potential that must be harnessed effectively in order to yield optimal outcomes. The symbiotic relationship between a company and its employees is of utmost importance; when employees achieve progress and growth for the company, both parties reap the benefits. Success for employees translates to the realization of their personal potential and access to life opportunities, while success for the company signifies a pathway to further growth and development.

Despite the frequent mention of the significance of human resource management, many companies tend to overlook it. However, the effective implementation of human resource management practices is a rare occurrence, as it requires a deliberate and concentrated effort from both organizations and individual employees. Properly managing human resources has been shown to enhance employee performance and consequently contribute to the overall success of the company.

Currently, the business environment is confronted with two primary challenges. Firstly, there is a rapid transformation occurring in the business environment due to the increasing
demands and expectations of consumers for higher quality products and services. This rapid change necessitates a more agile and skilled workforce capable of adapting to the evolving dynamics of the job. Simultaneously, consumer wants and needs are not static but rather continue to dynamically evolve. Consumers desire their wants and needs to be fulfilled with both quality and satisfaction.

Secondly, there is an intensified competition among companies, compelling each company to operate in a more efficient, effective, and productive manner. To confront these challenges, companies need to place high demands on employee performance, which is heavily influenced by the competencies that each employee should possess. If these competencies are not optimized, it may result in a tolerance for subpar employee performance, ultimately undermining the motivation for employees to strive for competency. In the realm of activities within the manufacturing industry worldwide, commitment to fostering harmonious relationships is paramount and is expressed as follows:

1) Yamaha's unwavering dedication to customers is evident in their commitment to providing superior quality products and services. They achieve this through a combination of cutting-edge technology and traditional craftsmanship, as well as their creative and vibrant approach. Yamaha strives to be a brand that is widely recognized, trusted, and leaves a lasting impression on their customers.

2) The key to making the Yamaha brand truly successful lies in the commitment of all parties involved. This includes not only the company itself but also those who have a working relationship with Yamaha. By fostering strong relationships built on trust and adhering to fair regulations based on societal norms, Yamaha can ensure the best performance and personal growth for all involved. This approach also creates a positive work environment, fostering a sense of pride and confidence among employees.

3) The company demonstrates a strong commitment to society by prioritizing safety and environmental sustainability. It upholds high moral standards and acts as a responsible member of the community. The company actively contributes to the development of social, cultural, and economic aspects, benefiting both the local community and the global community as a whole.

Improving human resources within a company is crucial for effective management. One of the primary areas of focus for human resource improvement is the competency and commitment of employees.

R.Palan (2007, 8) introduces the iceberg model to define the six distinct aspects of competence: knowledge, skills, values, self-concept, traits, and motives. These characteristics can be categorized into two major groups: hard competence and soft competence. Hard competence pertains to the educational background and training of an employee, which is generally satisfactory in the manufacturing industry. However, employees should also seek opportunities for improvement to enhance their performance. On the other hand, soft competence, which includes functional and leadership skills, is not easily observable and therefore more challenging to enhance.

After examining the aforementioned analysis, it becomes evident that competency and commitment play a crucial role in enhancing employee performance. Initial observations conducted within the Manufacturing Industries revealed a noticeable deficiency in employee skills, particularly in terms of competence, leadership, and commitment. This deficiency is evident in employees' inability to effectively carry out their assigned tasks, their inadequate collaboration within teams, and their lack of a sense of responsibility. Furthermore, employee performance is limited, as demonstrated by their tendency to procrastinate, resulting in delayed completion of work. Additionally, their focus is not directed towards achieving success in their roles, and employment opportunities are often restricted to a select few. Their work is not
efficient, resembling robotic behavior devoid of creativity or innovative ideas. Consequently, this has led to a decline in employee productivity.

**LITERATURE REVIEW**

**Competence**

Malthis and Jackson (2006: 219) that competence is karakteristik-karakteristik basic can be connected with the performance of which jumped from individuals or a team. Gibson, James l, John M.Lvancevich, James H. Donelly and Robert Konopaske (2012) provide explanations the process of competence in the work will be benefits as:

In order to assist in meeting the needs of individuals, it is imperative to provide guidance in accordance with established norms and to enhance their skill sets.

The utilization of competency standards can assist in the process of policy selection by identifying the most suitable candidate for a specific role based on their demonstrated effectiveness in performing associated tasks and fulfilling responsibilities. This approach allows managers to focus their attention on targeted recruitment and minimize unnecessary hiring. For instance, one way to achieve this is by establishing a set of behavior requirements for each office function and conducting selective interviews that prioritize these criteria.

In order to enhance efficiency and effectiveness within an organization, it is imperative to establish a competency standard that aims to maximize productivity. This involves identifying and addressing any skill gaps that may exist among employees, through purposeful development initiatives.

A more equitable and adaptable system of compensation can be established by utilizing the model of competency-based remuneration. This model aims to create a fairer and more transparent remuneration policy by aligning decisions with desired employee behaviors as closely as possible. This approach enables the development of a more flexible and just system of remuneration.

In the current era of rapid environmental changes, it is imperative to enable individuals to adapt to these changes effectively. The dynamic nature of our surroundings necessitates the continuous development of new skills and competencies. This model of competence provides a framework for identifying and acquiring the necessary abilities to meet ever-evolving demands.

The most effective method of conveying values and priorities to employees is through modeling competency and adjusting behavior within the organization. This approach emphasizes the importance of aligning actions with values and highlighting key areas of focus for the workforce.

**Leadership**

According to Kreitner (2008:402), leadership can be defined as the process of inspiring, influencing, and guiding others to actively participate in collective endeavors. In other words, leadership involves the ability to influence and inspire individuals within a social setting, directing their efforts towards a common goal. Additionally, Kreitner (2008:402) emphasizes that leaders bear the responsibility of guiding various stakeholders towards achieving a specific objective, be it enhancing employee productivity, facilitating better collaboration with suppliers, improving customer service, or helping investors understand and appreciate the company's strategic approach and its impact on shareholder value. Ultimately, a competent leader must possess a clear vision that motivates and drives the organization towards improved performance.

Effective leadership is a collaborative effort that aims to cultivate exceptional performance and a sense of fulfillment among subordinates. The style of leadership required varies depending on the specific circumstances and is influenced by both personal and
environmental factors. This theory also explores how perception and hope are impacted by four contingency-based leadership styles, as well as the attitudes and behaviors of employees. A leader's behavior serves to motivate by (1) minimizing obstacles that hinder goal attainment, (2) providing guidance and support to employees, and (3) establishing a connection between rewards and goal achievement.

**Commitments**

The motivation of employees to fulfill their various tasks, responsibilities, and authority is the basis for their commitment. According to Gibson et al. (2009: 121), commitment is demonstrated through the employees' acceptance of the organization's values (identification), their psychological involvement, and loyalty. This implies that commitment has three dimensions: (1) identification, which is the result of employees trusting the organization; (2) loyalty, which manifests in positive attitudes and behaviors towards the organization, including defending it, striving for excellence, and having confidence in contributing to the achievement of organizational goals; and (3) involvement, which entails employees feeling a sense of belonging towards their organization. It is hoped that this commitment will lead to the long-term success and well-being of the organization.

Further, Hodge and Anthony (1988: 541) will factors commitment organization differently. As for factors affecting commitment organization is: When employees experience personal satisfaction in their work, they are more likely to demonstrate patience and maintain self-control, even in situations where they may feel let down. When employees perceive that the company's goals align with its objectives, it fosters a sense of identification and confidence that the company's endeavors will yield benefits for them. Active participation in decision-making and a strong commitment to the organization are defining characteristics of involved employees who are actively engaged in their work. They demonstrate a genuine interest in the company and its objectives.

**Employee Performance**

The significance of individual employee performance has increasingly become a priority for organizations when it comes to employee repositioning. This entails understanding the various factors that influence performance. The findings from this analysis can be highly beneficial for designing programs and developing human resources in a consistent manner. Consequently, individual performance serves as a reflection of an organization's level of competence. According to Ivancevich (2008: 109), performance is defined as the execution of work in accordance with one's capacity, opportunities, and assigned responsibilities. On the other hand, Gibson et al. (2009: 67) view performance as the degree of success in carrying out tasks and achieving their intended objectives. Additionally, Robbins and Judge (2009: 74) identify performance as the attainment of intended goals, which serves as a benchmark for individual performance.

According to Suyadi Prawirosentono (1999: 30), in general there are four factors that can affect organisational performance, namely:

1) The effectiveness of an organization lies in its ability to accomplish its intended goals as planned. Efficiency, on the other hand, refers to the minimal resources expended in achieving these objectives. If the resources utilized are deemed excessive, it can be deemed inefficient. In accordance with Hani Handoko (1995: 7), efficiency is the competence to complete a task appropriately, while effectiveness is the competence to select suitable destinations or equipment in order to achieve the desired purpose.

2) The effectiveness of organizational performance heavily relies on the authority and responsibilities assigned to individuals. Each member of the organization must be aware of their specific duties and responsibilities in order to work towards achieving the
organization's goals. In accordance with Bernard, as translated by Suyadi Prawirosentono (1999: 30), authority refers to an individual's right to issue orders to subordinates. On the other hand, responsibility is an inherent component that arises from the possession of authority. In essence, the presence of authority implies the existence of corresponding responsibilities.

3) In general, discipline is seen as a guiding principle that involves adhering to laws and regulations. It encompasses the concept of employees following regulations and upholding the agreements they have made within their workplace. Discipline is also closely connected to the necessity of imposing consequences on those who violate these regulations, as it ultimately impacts the overall performance and functioning of the organization.

4) The concept of initiative involves taking proactive steps to generate creative ideas and develop plans that align with organizational goals. Essentially, initiative is the driving force behind progress and has a direct impact on an organization's performance. It is crucial for successfully completing tasks, as without initiative, goals cannot be effectively and efficiently achieved. Therefore, every worker must tap into their own abilities to come up with various initiatives in order to successfully accomplish their job responsibilities.

FINDINGS AND DISCUSSION

The positive impact of competence (x1), leadership (x2), and commitment (x3) on employee performance (y) is currently being tested. The correlation analysis results between competence, leadership, and commitment to employee performance are presented in Table 1.

Table 1. Double correlation between X1: competence, X2: leadership and X3: commitment to y of employee performance

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.909a</td>
<td>.827</td>
<td>.816</td>
<td>.66602</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Competence, Leadership, Commitment
b. Dependent Variable: Employee Performance

The correlation between competence, leadership, and commitment to employee performance, as indicated by a value of r = 0.909, suggests a strong positive relationship. This signifies that there is a significant and aligned connection between competence, leadership, and commitment in relation to employee performance.

The importance of the correlation between the formulation hypothesis is as follows:

All coefficients, specifically H0, β1, β2, and β3, are determined to be equal to zero. The performance of employees does not display any significant correlations with competence, leadership, or commitment.

The values of H1, β1, β2, and β3 are all not equal to zero. The performance of employees is significantly influenced by competence, leadership, and commitment, with notable correlations. Specifically, at a significance level of α = 0.05, the correlations are as follows:

Table 2. Correlations Test

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>103.548</td>
<td>3</td>
<td>34.516</td>
<td>77.812</td>
<td>.000a</td>
</tr>
<tr>
<td>Residual</td>
<td>21.735</td>
<td>449</td>
<td>.444</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>125.283</td>
<td>452</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Predictors: (Constant), Competence, Leadership, Commitment
Dependent Variable: Employee Performance
The statistical analysis reveals the magnitude of significance, as indicated by the produced F-test value of 77.812, surpassing the F-table value of 2.79. Additionally, the p-value of 0.000 is less than the predetermined α level of 0.05, leading to the rejection of the null hypothesis (H0). This rejection implies that there is a positive impact of competence (x1), leadership (x2), and commitment (x3) on employee performance (y). The table below presents the regression analysis results for competence, leadership, and commitment in relation to employee performance:

Table 3. The Regression Coefficient Competence, Leadership, and Commitment to Employee Performance Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (Constant)</td>
<td>32.711</td>
<td>2.791</td>
<td>11.720</td>
<td>.000</td>
</tr>
<tr>
<td>Competence</td>
<td>.015</td>
<td>.071</td>
<td>.015</td>
<td>.209</td>
</tr>
<tr>
<td>Leadership</td>
<td>.922</td>
<td>.085</td>
<td>.849</td>
<td>10.860</td>
</tr>
<tr>
<td>Commitment</td>
<td>.041</td>
<td>.034</td>
<td>.089</td>
<td>1.217</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Employee Performance

Table 3 above shows estimation the model, β0 (intercept) of 32.711; β1 of 0.015; β2 of 0.922 and β3 of 0.041. Until they reached the regression equation as follows:

\[ \hat{Y} = a + b_1X_1 + b_2X_2 + b_3X_3 \]

\[ \hat{Y} = 32.711 + 0.015X_1 + 0.922X_2 + 0.041X_3 \]

This equation can be defined as following:

a. The constant 32.711 signifies that when the values for competence (x1), leadership (x2), and commitment (x3) are all 0, the employee performance (y) will have a positive value of 32.711.

b. The regression variable for competence (x1) is 0.015. This indicates that for every unit increase in competence, there will be a corresponding increase of 0.015 units in employee performance (y), assuming that the variables of leadership and commitment remain constant.

c. The regression coefficient for the leadership variable (x2) is 0.922, indicating that a one-unit increase in leadership will result in a 0.922 unit increase in employee performance (y), assuming that the commitment and competence variables remain constant.

d. The coefficient of regression for the variable of commitment (x3) is 0.041, indicating that a one-unit increase in commitment will result in a 0.041 unit increase in employee performance (y), assuming that the variables of competency and leadership remain constant.

The formulation hypothesis is as follows:

\[ H_0 = \beta_1 = \beta_2 = \beta_3 = 0 \] (competence, leadership and commitment have not positive and significant effect on performance of employees).

\[ H_1 \neq \beta_1 \neq \beta_2 \neq \beta_3 \neq 0 \] (competence, leadership, and commitment have positive and significant effect on performance of employees). The significant regression is presented in the table below this:
The data presented in Table 4 demonstrates that the F-test statistic is 77.812, which is greater than the critical F-table value of 2.79 at a significance level of \( \alpha = 0.05 \) with 3 and 49 degrees of freedom. This indicates that the null hypothesis (\( h_0 \)) can be rejected. Therefore, it can be concluded that competence, leadership, and commitment have a noteworthy and meaningful impact on employee performance. The fourth hypothesis of the study has been confirmed and supported through the investigation.

The extent to which competence, leadership, and commitment contribute to explaining employee performance can be measured by the coefficients of determination (R²). The specific values of these coefficients of determination can be found in Table 5 below.

According to the information presented in Table 5, it is evident that the correlation coefficient (R) stands at 0.909, while the coefficient of determination (R²) is recorded as 0.816. These numbers imply that around 81.6% of an employee's performance can be ascribed to various factors, including competence, leadership, and commitment. The remaining 18.4% is attributed to additional variables that are not considered in the current model.

The effect of competence, leadership, and commitment on employee performance is undeniably substantial and favorable. This is evident from the strong correlation coefficient value of 0.909, with a significant probability value of 0.000 < 0.05. The importance of this influence is further bolstered by the regression value, particularly the F test result of 77.812, which surpasses the critical F table value of 2.79. Thus, it can be inferred that the presence of competence, leadership, and commitment in an employee directly and measurably impacts their performance.

**CONCLUSION**

Upon analyzing the data that pertains to the individuals who carried out the analysis, it can be concluded that the competence of employees plays a positive and significant role in their performance. Therefore, by improving their competence, employee performance can be enhanced. Additionally, the leadership demonstrated by employees also has a positive and significant impact on their performance, and thus, by enhancing leadership skills, employee performance can be further increased. Moreover, the commitment exhibited by employees also has a positive and significant effect on their performance, and thus, by improving commitment levels, employee performance can be enhanced. Furthermore, it has been observed that competence, leadership, and commitment collectively have a positive and significant influence.
on employee performance. The findings of this research indicate that leadership has the most dominant influence on employee performance, as evident from the higher coefficient of determination for leadership compared to competence and commitment, which amounts to 0.906.

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