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Improving Competency Through Employee Performance

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Abstract
Human Resources (HR) are very important and must be possessed in an effort to achieve organizational or company goals. Human resources are the main element of an organization compared to other resource elements such as capital and technology, because humans themselves control other factors. The problem that occurs as a phenomenon in the BPJS Employment organization Tanjung Morawa and Pematang Siantar Branches is that the quality of human resources is still not good, meaning that organizational goals have not been achieved, the lack of training and knowledge makes employees less qualified in responding to their work so that employee performance is inadequate and they have to do a lot of training. , not all employees also have good competence in their abilities so that there is still a lot of work not completed on time. The results of this research are as follows:Competency has a positive and significant effect on employee performance with an original sample value of 0.498 and a p value of 0.000 <0.05. HR quality has a positive and significant effect on employee performance with an original sample value of 0.445 and a p value of 0.000 <0.05. Human resource quality has a positive and significant effect on competency with an original sample value of 0.814 and a p value of 0.000 <0.05. HR quality has a positive and significant indirect effect on employee performance through competency with an original sample value of 0.405 and a p value of 0.000.

Keywords: HR Quality, Competence, Employee Performance

INTRODUCTION

Improving the quality of human resources is an absolute and most important prerequisite for achieving national development goals. The aim of national development is a sustainable development effort that covers the entire life of the community, nation and state in a comprehensive, directed, integrated, gradual and sustainable manner. Human resources that perform well will make it easier for the organization to achieve its vision, mission and goals. This human resource factor is an important element for organizations to pay attention to, because human resources with good performance are needed to support the successful implementation of organizational activities. Without human resources with good performance, it will be difficult for an organization to achieve its stated goals.

Human resources are someone who is ready, willing and able to contribute to efforts to achieve the goals of an organization or company, so what is meant by improving human resources is the quality that concerns the quality of these resources, which involve physical, as well as physical nin (intelligence and physique). Every human being is required to improve his or her quality in order to spur economic development in all fields. Improving the quality of human resources is a long-term human investment. However, currently, human resources in Indonesia still do not have the quality to support the largest rate of economic growth. Performance is defined as a set of results that have been achieved and increased in the act of achieving and

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implementing somethingrequested task. The definition of performance is a description of the level of achievement in implementing an activity program or policy in realizing organizational goals, the goals of the organization's vision and mission which are stated through an organization's strategic planning.

Human Resource Competency (HR) is a factor that influences the quality of financial reports. Human resource competency (HR) is the knowledge, skills and attitudes of an employee in carrying out their duties. Human resources (HR) in an organization or company have a meaning that is as important as the work itself, considering the important role of human resources in an organization or company, human resources as a determining factor for an organization, competency is an aspect that determines the success of an organization or company. With the high competence possessed by human resources (HR) in an organization or company, of course this will determine the quality of the human resources (HR) they have which will ultimately determine the competitive quality of the company or office itself (Pujanira, 2017).

The problem that occurs as a phenomenon in the BPJS Employment organization Tanjung Morawa and Pematang Siantar Branches is that the quality of human resources is still not good, meaning that organizational goals have not been achieved, the lack of training and knowledge makes employees less qualified in responding to their work so that employee performance is inadequate and they have to do a lot of training. , not all employees also have good competence in their abilities so there is still a lot of work not completed on time

METHOD

The type of research used is Associative Quantitative. This method is interpreted to determine the influence of human resource quality on employee performance with competency as an intervening variable at BPJS Employment Tanjung Morawa and Pematang Siantar branches.According to Sugiyono (2016) quantitative research is research by obtaining data in the form of numbers or qualitative data in numbers. In his method, this researcher used the Associative Causal method. According to Sugiyono (2016), causal associative research is a causal relationship that aims to determine the relationship between two independent variables (influence) and a dependent variable (influenced).

Method of collecting data

This research uses a questionnaire as a data collection method and the data source used is primary data.According to Sugiyono (2016) a questionnaire is a data collection instrument which is carried out by giving a set of questions or written statements to respondents to answer.

Research Population

According to Sugiyono (2016), population research is divided into two, namely the general population and the target population. The population in this study is to combine the populations of the BPJS Employment Tanjung Morawa and Pematang

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Siantar branch offices. For BPJS Tanjung Morawa the population is 38 employees, while BPJS Pematang Siantar has a population of 27 employees, the total population is 65 employees.

Research Sample

According to Sugiyono (2016) The sample is some of the objects in the population studied which are able to represent the population, the sample is part of the number and characteristics of the population. Researchers will use the entire employee population at BPJS Tanjung Morawa and Pematang Siantar Branch, which is 65 employees, to be used as samples.

Sampling technique

The sampling technique used by the researcher is saturated sampling, where the researcher takes all the population in the organization to be used as a sample. According to Sugiyono (2016), the saturated sampling technique is a sample determination technique when all members of the population are used as samples.

Time and Place of Research

This research was conducted at one of the organizations, namely BPJS Employment which is located at the Tanjung Morawa Branch Office: Jl. Raya Medan Tanjung Morawa KM 14.5 Bangun Sari Baru Village, Bangun Sari Baru, Tanjung Morawa District, Deli Serdang Regency, North Sumatra and Pematang Siantar Branch Office: Jl. Sakti Lubis No. 5 Timbang Galung, Pematang Siantar City. This research was conducted for 3 months starting April 2024 to June 2024.

Data analysis method

Path Analysis Model (Path Analysis)

Sugiyono (2016) path analysis is part of a regression model that can be used to analyze causal relationships between one variable and another variable. Path analysis is used using correlation, regression and paths so that it can be known to arrive at the intervening variable. Researchers using this research model are path analysis research.

Data analysis method

Smart PLS SEM (Partial Least Square – Structural Equation Modeling) software was used for data entry in this research. PLS is able to show relationships between variables and is also capable of carrying out analysis after analysis in regular research projects. The purpose of PLS is to help researchers verify theories and explain whether there is a relationship between latent variables.According to Imam Ghozali (2016) the PLS method is able to describe latent variables (not directly measurable) and is measured using indicators. The author uses Partial Least Square because this research is a latent variable that can be measured based on the indicators so that the author can analyze it with clear and detailed calculations.

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Partial Least Square (PLS) Analysis

In the Partial Least Square (PLS) model, the principle of component analysis is applied, namely block variance is used to test the relationship between indicators and latent constructs by calculating the total variance which consists of general variance. specific variance, and error variance, so the total variance is small.

Evaluation of the Measurement Model (Designing the Outer Model)

PLS has calculations using two models, namely testing the measurement model (outer model) and the structural model (inner model). According to Ghazali, I., & Latan (2015), the outer model is testing to assess the validity and reliability of constructs from indicators. Meanwhile, the inner model is a test to predict the relationship between variables using the t test from PLS software. The measurement model is used to determine validity and reliability thresholds. The measurement model that connects indicators with latent variables describes how indicators and latent variables are linked in this research.

Convergent Validity

According to Ghozali and Latan (2015), measurements related to the principle that (manifest variables) of a construct should be high, are called loading factors and Average Variance Extracted (AVE) values in convergent validity.The rule of thumb used in the convergent validity test, the loading factor value is 0.5 - 0.6 and the AVE value is greater than 0.5.

Composite Reliability

The Composite Reliability (CR) value is a value measure used to check how good the model used is and is measured by specified indicators. However, the interpretation of the Composite Reliability and Cronbach Alpha scores is the same, namely with a value greater than 0.7 as a sufficient or acceptable reference, whereas if the CR has a value greater than 0.8 and 0.9 it means it is very satisfactory (Ghozali and Latan 2015). Cronbach Alpha in testing reliability construct will give lower results (under estimate) soThe use of composite reliability is recommended to test the reality of the construct.

Model Structure (Inner Model)

R-Square(R2)

The interpretation of linear regression R2 is based on the variability of endogenous variables that can be explained by exogenous variables.The R2 criteria consists of three classifications, namely the R2 value of 0.67 (substantial), 0.33 (moderate) and 0.19 (weak). Changes in the R2 value can be used to see whether the influence of exogenous latent variables on endogenous latent variables has a substantive influence (Ghozali and Latan 2015)

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Variance Inflation Factor(VIF)

The multicollinearity test is carried out to see whether there are variables that are correlated with each other in the independent variables. Multicollinearity detection can be done in several ways, one of which is by looking at the Variance Inflation Factor (VIF) value. The VIF value can be calculated using the equation. To find out whether the formative indicators experience multicollinearity or not, you need to know the VIF value. If the VIF 63 value obtained is 5-10 then it can be said that there is multicollinearity in this indicator, and if the VIF value is below 5 then there is no multicollinearity problem (Putri, 2016).

Hypothesis testing

PLS is generally used in explanatory research methodology, or approach methods. This is due to the existence of tests that are hypothesized in this method. Hypothesis evaluation can be done using t-statistics and probability values.To test the hypothesis using statistical values, for alpha 5% the tstatistic value used is 1.96 (Muniarti et al., 2013). So the criteria for accepting or rejecting the hypothesis are Ha accepted and H0 rejected if the t-statistic is > 1.96. To reject/accept the hypothesis using probability, Ha is accepted if the p value <0.05.

RESULTS AND DISCUSSION

Outer Model Analysis

Measurement model testing (outer model) is used to determine the specifications of the relationship between latent variables and manifest variables. This test includes convergent validity, discriminant validity and reliability.

Convergent Validity

This test is seen from the loading factor, the limit value is 0.7, and the limit value..Average..Variance..Extracted.(AVE) is 0.5, if above this value it is said to be valid. This means that the value for the indicator is said to be valid, if the indicator explains the construct variable with a value > 0.7. The structural model in this research is shown in the following figure:

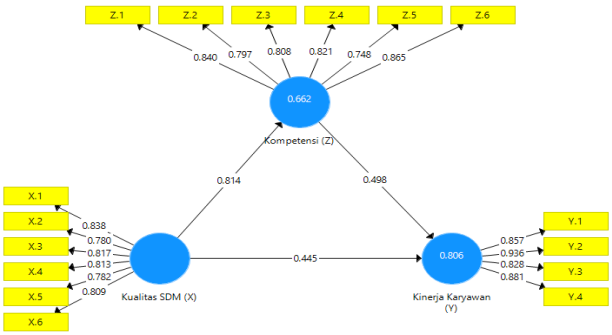

Figure 1. Outer Model
Source: Smart PLS 3.3.3

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The Smart PLS output for loading factors gives the results in the following table: Outer Loadings In this study there is an equation and the equation consists of two substructures for substructure 1

Z = b1X + e1

Z = 0.814X + e1

For substructure 2

Y = b2X + b3Z + e2

Y = 0.445X + 0.498 Z+ e2

Table 1: Outer Loadings

	Employee Performance (Y)	Competency (Z)	HR Quality (X)
X.1			0.838
X.2			0.780
X.3			0.817
X.4			0.813
X.5			0.782
X.6			0.809
Y.1	0.857		
Y.2	0.936		
Y.3	0.828		
Y.4	0.881		
Z.1		0.840	
Z.2		0.797	
Z.3		0.808	
Z.4		0.821	
Z.5		0.748	
Z.6		0.865	

Source: Smart PLS 3.3.3

In the outer loading table there is a value for each variable which states that the indicator for each variable is higher than 0.7, which means that each indicator item has a value higher than 0.7 so that the data is declared valid and can continue with further research.

Discriminate Validity

Further research will determine valid data using Discriminate Validity, aiming to find out whether the cross loading value is greater than other latent variables so as to determine the results of indicators that are highly correlated with the construct. The following table shows the cross loading results from validity testing as follows:

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Table 2: Discriminant Validity

	Employee Performance (Y)	Competency (Z)	HR Quality (X)
X.1	0.740	0.704	0.838
X.2	0.627	0.589	0.780
X.3	0.718	0.645	0.817
X.4	0.695	0.759	0.813
X.5	0.676	0.592	0.782
X.6	0.651	0.632	0.809
Y.1	0.857	0.875	0.729
Y.2	0.936	0.728	0.791
Y.3	0.828	0.729	0.743
Y.4	0.881	0.662	0.713
Z.1	0.803	0.840	0.764
Z.2	0.697	0.797	0.589
Z.3	0.680	0.808	0.616
Z.4	0.676	0.821	0.698
Z.5	0.570	0.748	0.512
Z.6	0.743	0.865	0.749

Source: Smart PLS 3.3.3

It can be seen in table 2 above that it shows the cross loading factor value for each variable and the indicators. It can be explained that the cross loading value for each variable has a greater value than the cross loading for other latent variables for each variable, meaning that this research is valid in terms of discriminant.

Composite reliability

In composite reliability research to look at each variable with its reliability value and if the variable value is greater than 0.60 then the research is considered reliable and if it is below 0.60 and 0.7 then it is not reliable. There are several blocks to determine whether the research is reliable or not and valid or not, including the Coranbach alpha value, composite reliability and AVE value can be seen in the table below:

Table 3. Construct Reliability and Validity

	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
Employee Performance (Y)	**0.899**	**0.930**	**0.768**
Competency (Z)	**0.898**	**0.922**	**0.663**

HR Quality (X)	**0.893**	**0.918**	**0.651**

Source: Smart PLS 3.3.3

In table 3 above, it can be seen that in the Cronbach alpha column there is a value for each variable greater than 0.7, which means that the reliability data of the variable is reliable. The composite reliability column has a value greater than 0.6 so it can be explained that each variable is considered reliable because the data is greater than 0.6. You can see from the AVE column that each variable has a value greater than 0.7, which means the data is valid in AVE terms. All variables from the Cronbach alpha column, reliability column and AVE column have values greater than 0.7 and 0.6 so they are considered reliable and valid.

Inner Model Analysis

Evaluation of the structural model (inner model) is carried out to ensure that the basic model created is strong and correct. The inspection stages carried out in the primary model assessment can be seen from several markers, namely:

1. Coefficient of Determination (R2)

Based on data processing that has been carried out using the SmartPLS 3.0 program, the R Square value is obtained as follows:

Table 4: R Square Results

	R Square	Adjusted R Square
Employee Performance (Y)	0.806	0.800
Competency (Z)	0.662	0.657

Source: Smart PLS 3.3.3

In table 4, the R squrae value for the Employee Performance variable is 0.806. If the result is a percentage of 80.6%, this means that the influence of HR Quality and Competency is 80.6% and the rest is in other variables. The R square value for the Competency variable is 0.662 with a percentage of 66.2%, meaning that the influence of HR Quality on Competency is 66.2%, the rest is in other variables.

2. Hypothesis Testing

After assessing the inner model, the next thing is to assess the connection between the idle builds as suspected in this review. Speculation testing in this review was carried out by looking at T-Statistics and P-Values. Speculation was announced admitting whether the T-Insights value was > 1.96 and the P-Values < 0.05. Next are the consequences of the direct impact Path Coefficient

Table 5: Path Coefficients (Direct Influence)

	Original Sample (O)	T Statistics (| O/STDEV |)	P Values	Results
Competency (Z) -> Employee Performance (Y)	0.498	5,401	**0,000**	**Accepted**
HR Quality (X) -> Employee Performance (Y)	0.445	5,055	**0,000**	**Accepted**
HR Quality (X) -> Competency (Z)	0.814	23,435	**0,000**	**Accepted**

Source: Smart PLS 3.3.3

In the hypothesis results table directly above, it will be explained as follows:

1. Competency has a positive and significant effect on employee performance with an original sample value of 0.498 and a p value of 0.000 <0.05. This means that if competence increases, employee performance will also increase and if competence decreases, competence will decrease.
2. HR quality has a positive and significant effect on employee performance with an original sample value of 0.445 and a p value of 0.000 <0.05. This means that if the quality of human resources increases, employee performance will increase and if the quality of human resources decreases, performance will decrease.
3. Human resource quality has a positive and significant effect on competency with an original sample value of 0.814 and a p value of 0.000 <0.05. This means that if the quality of human resources increases, competence increases and if it decreases, competence also decreases.

Table 6: Path Coefficients (Indirect Influence)

	Original Sample (O)	T Statistics (| O/STDEV |)	P Values	Results
HR Quality (X) -> Competency (Z) -> Employee Performance (Y)	0.405	5,694	**0,000**	**Accepted**

Source: Smart PLS 3.3.3

The results of the indirect influence of this hypothesis will be explained as follows:
HR quality has a positive and significant indirect effect on employee performance through competency with an original sample value of 0.405 and a p value of 0.000. This means that competency is an intervening variable because it can influence the quality of human resources for employees indirectly, meaning that the quality of human resources will increase in performance when competency increases indirectly.

CLOSING

Conclusion

1. Competence has a positive and significant effect on employee performance with an original sample value of 0.498 and a p value of 0.000 <0.05.
2. HR quality has a positive and significant effect on employee performance with an original sample value of 0.445 and a p value of 0.000 <0.05.
3. Human resource quality has a positive and significant effect on competency with an original sample value of 0.814 and a p value of 0.000 < 0.05.
4. HR quality has a positive and significant indirect effect on employee performance through competency with an original sample value of 0.405 and a p value of 0.000.

Suggestion

1. It is hoped that this research will be used as input for organizations to fix existing problems in the organization and aim to advance the organization.
2. It is hoped that this research will be useful for researchers as a lesson in solving problems and researching them further and becoming new knowledge.
3. It is hoped that this research can be used as reference material for future researchers by using a new model and a new title.

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