

BULLETIN OF MANAGEMENT AND BUSINESS

http://v3.publishing-widyagama.ac.id/index.php/bmb

P-ISSN: 2745-6927 E-ISSN: 2722-2373

Vol. 4, No.2, September 2023, pp. 129-136

Does an Improvement in Competency Lead to Enhanced Employee Performance?

Dadang Mukhlis^{1*}, Kurhayadi², Warman Suryaman³

¹²³ Public Administration Program, Sekolah Tinggi Ilmu Administrasi Bandung Correspondence: Dadang Mukhlis (<u>dadangmukhlis1270@gmail.com</u>),Kurhayadi (<u>kurhayadi@stiabandung.ac.id</u>), Warman Suryaman (<u>warmansurya1994@gmail.com</u>) Received: 02-07-2023, Revised: 23-08-2023, Accepted: 01-09-2023, Published: 15-09-2023

ABSTRACT

The purpose of this research is to analyze the influence of competence on employee performance at the Public Works and Spatial Planning Agency of Cimahi City. The research method employed is a survey method, and the study is characterized as a descriptive correlational research. The population for this study comprises the employees of the Public Works and Spatial Planning Agency of Cimahi City. Sample selection in this research uses a saturated sampling technique (census), resulting in a sample size of 42 individuals. Data analysis is conducted using descriptive analysis and simple linear regression analysis with the assistance of SPSS data processing tool. The research findings indicate that competence has a significant influence on employee performance at the Public Works and Spatial Planning Agency of Cimahi City. The extent of influence of the competence variable on employee performance is 70.3%, while the remaining 29.7% is influenced by other factors.

Keywords: Competence, Employee performance

JEL Classification: G25, G30, R53

<u>@ 080</u>

INTRODUCTION

The perception of the public and the portrayal in mass media generally suggest that the performance of government employees has thus far fallen short of the expectations of a significant portion of the population. Civil servants (PNS/ASN) are depicted as having low levels of professionalism, suboptimal service capabilities, a lack of responsiveness, insufficient integrity as government employees, leading to a lack of emotional attachment to their agencies and tasks, high levels of abuse of authority (corruption, collusion, nepotism), and low productivity and discipline. This situation has a detrimental impact on the performance of employees in carrying out their duties and responsibilities to serve the public (Hutagalung, 2022). The Public Works and Spatial Planning Agency is one of the organizations responsible for providing public services in terms of public facilities and infrastructure. Achieving optimal service for the public requires good employee performance. Hence, employees must possess a certain set of competencies (Saputra & Mulia, 2021).

Competence is defined as the knowledge, skills, abilities, or personality traits possessed by an individual that directly influence their performance (Rosmaini & Tanjung, 2019). The efficiency and effectiveness of task execution heavily depend on an individual's capabilities. The higher an individual's competence, the more effective and efficient their work becomes. Public service quality is determined by employee performance in delivering services to the public.

According to Ardiansyah & Sulistiyowati (2018), performance is a condition that needs to be measured and confirmed to certain parties to determine the level of achievement of an institution's goals in relation to the organization's vision and to assess the positive and negative impacts of operational policies.

In the case of Public Works and Spatial Planning services to the public, real-world experiences show that the service quality provided thus far is not considered satisfactory. Multiple factors contribute to subpar public service quality, including substandard public facility and infrastructure service quality and unresponsive service behavior (Rahayu et al., 2021). From a community's perspective, public service is a fundamental responsibility of the government (Widiastuti et al., 2022). In reality, public service quality receives low marks from the public (Syafira & Wahyuningsih, 2021). This is because some employees lack discipline, waste working hours on unproductive activities, or even leave their workplace for personal reasons. This situation has a profound impact on workplace performance in general.

In accordance with Elizar & Tanjung (2018), competence refers to an individual's capacity to fulfill job requirements within an organization, enabling the organization to achieve its expected outcomes. Competence can be described as a fundamental characteristic of an individual that directly affects their excellent performance. Competence includes an individual's willingness and ability to effectively and efficiently execute tasks and responsibilities assigned to them to achieve the organization's goals.

Therefore, the need to improve employee competence is paramount, as it plays a vital role in enhancing organizational performance and the quality of public services. Addressing competence issues, coupled with other factors such as discipline, integrity, and productivity, is essential for organizations like the Public Works and Spatial Planning Agency of Cimahi City to provide high-quality services to the public and achieve its goals. This also aligns with the ongoing demand from society for better public services and the government's commitment to achieving those standards (Hutagalung, 2022; Pohan et al., 2021).

Literature Review

Theories on Competency

Competency is a formulation of authority based on knowledge, attitudes, and skills officially recognized by authorized institutions and periodically reviewed (Mulyasari, 2019). Competency standards represent the minimum required capabilities. Saputra & Mulia (2021) state that competency is the capacity possessed by an individual that enables them to meet the job requirements in an organization, allowing the organization to achieve its desired outcomes. Meanwhile, Rosmaini & Tanjung (2019) define competency as a fundamental factor that sets individuals with more significant abilities apart from those with average or ordinary abilities.

From the above statements, it can be said that competency is a fundamental characteristic that directly influences or predicts excellent performance. In essence, it is an employee's ability and willingness to perform tasks and responsibilities assigned to them effectively and efficiently in achieving organizational goals. Furthermore, Ardiansyah & Sulistiyowati (2018) suggest that initially, there were two rapidly developing definitions of competency in companies: competency defined as a description of what someone must know or do to perform their job well. This type of competency is known as technical or functional competencies, also referred to as hard skills/hard competency (hard competency). Technical competencies focus on the job, describing the responsibilities, challenges, and work objectives to be accomplished by someone in a position for them to perform well.

According to Triastuti (2019), the second type of competency describes how someone is expected to behave to perform their job well. This is known as behavioral competency or soft skills/soft competency. Based on these definitions, it is apparent that competency aims to utilize

knowledge and job skills to achieve optimal performance. This also means that competency encompasses deep-seated personal characteristics that can predict behavior in various situations and job tasks. Predictions of who performs well and who does not are made based on the criteria or standards used. According to Prayogi et al. (2019), there are three components for competency formation: knowledge, skills, and attitude

Employee Performance

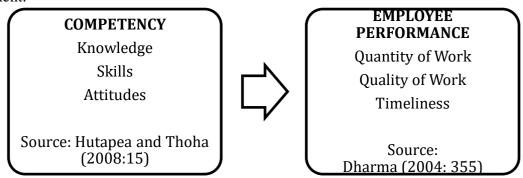
The term "performance" is derived from "performance" or actual performance, which is the actual work performance or achievement of an individual (Mulyasari, 2019). Performance is defined as the quality and quantity of work presented by an employee in performing their tasks according to their responsibilities (Saputra & Mulia, 2021). Employee performance can be seen in terms of competence, skills, knowledge, and the commitment of the employee. As the sustainability of an organization depends on the performance of its employees, employees are essential and require attention (Rosmaini & Tanjung, 2019). Organizational goals become less effective if employee performance is not optimal, resulting in wastage for the organization (Elizar & Tanjung, 2018). Therefore, employee job performance must be genuinely considered. Ardiansyah & Sulistiyowati (2018) define job performance as follows: "Performance is the quality and quantity of work achieved by an employee in carrying out their tasks according to their responsibilities."

According to Bernardin and Russel (2000), "Performance is defined as the record of outcomes produced on a specified job function or activity during a time period." Based on the two statements above, performance tends to be seen as the result of a work process, the measurement of which is done within a specific time frame. From these two definitions, it can be seen that performance is the outcome of a particular activity to achieve the desired result. Performance can be divided into individual performance and group/team performance (Triastuti, 2019). Individual performance is the level of achievement or work results of an individual in meeting specific objectives or tasks within a certain time frame. Group/team performance is the level of achievement of goals or objectives set by the organization within a certain period (Prayogi et al., 2019). From these explanations, it can be concluded that employee performance is the result of work in terms of quality and quantity achieved by an individual employee in carrying out tasks in line with their responsibilities and the organization's objectives.

Moreover, Sarumaha (2022) states that performance assessment is based on the understanding, knowledge, skills, competencies, and behavior needed to perform a job well. Employee behavior attributes are analyzed in accordance with predetermined criteria for each job. According to Agus Dharma (2004), performance appraisal in his book "Performance Management" is as follows: "Employee performance is something achieved by an employee, job performance assessed by the employee, work capability related to office equipment." Therefore, the performance of an employee is the result of work in terms of quality and quantity achieved by an employee in performing tasks and responsibilities according to their responsibilities. Employees play a critical role in the success of a company. Consequently, their performance should be a major concern (Hutagalung, 2022).

Performance appraisal is an organizational process to assess employee performance (Normi & Salim, 2018). The general purpose of performance appraisal is to provide feedback to employees to improve their performance and increase organizational productivity, particularly concerning employee policies such as promotion, salary increases, education, and training. In today's dynamic business environment, performance appraisal is crucial for organizations. Organizations need to choose criteria, both subjectively and objectively (Sudarman, 2018). Objective performance criteria are evaluations based on specific standards, while subjective measurements assess how well an employee works overall.

Performance appraisal, as per Mastur (2022), is a process of evaluating how well employees have performed compared to a set of standards, followed by communicating it to the employees. Performance appraisal is also known as employee assessment, employee evaluation, performance review, performance evaluation, and performance assessment. As stated by Bernardin and Russel (2000), "Performance is defined as the record of outcomes produced on a specified job function or activity during a time period." Performance appraisal involves assessing employees' performance in relation to established standards and communicating the results to them. It is alternatively referred to as employee assessment, employee evaluation, performance review, performance evaluation, and performance assessment.



Hypothesis is a provisional answer to the research problem statement that needs to be tested for its validity. In this research, the hypothesis is the existence of an influence of competence on employee performance in the Department of Public Works and Spatial Planning of Cimahi City.

METHODS

The research method employed in this study is a survey method. This research has a descriptive-correlational nature, aiming to explain the relationships among influencing factors or variables. According to Arikunto, in terms of approach, this research is categorized as quantitative. Quantitative research is based on the positivist philosophy, involving the examination of specific populations or samples. Sampling techniques are generally conducted randomly, data collection employs research instruments, and data analysis is quantitative/statistical, with the goal of testing predefined hypotheses (Sugiyono, 2011:13).

This study is also referred to as non-experimental research. It employs primary data obtained through the use of questionnaires, interviews, and observations. Respondent data is analyzed quantitatively using statistical methods. The research methods utilized consist of descriptive analysis and statistical methods. The descriptive data analysis technique compiles respondent feedback on the research sub-variable indicators, arranging them in tabular form, including columns for identification numbers, requirements related to the indicators, provided response alternatives, response values, and the total response values.

The research population comprises employees at the Public Works and Spatial Planning Agency in Cimahi City. Sample selection for this research is conducted using a saturation (census) sampling technique. As stated by Sugiyono (2010:96), "Census is a sampling technique in which every member of the population is used as a sample." Consequently, the sample size for this study is 42 individuals.

RESULT AND DISCUSSION

Table 1. Validity and Reliability Test

The results of the validity testing for each statement item of each variable under study are as follows:

Table 1. Validity Testing Results of Competence and Employee Performance.

Variabel	Pernyataan	R Hitung	R Tabel	Keterangan
Competency	X1	.807	0.3044	VALID
	X2	.927	0.3044	VALID
	X3	.874	0.3044	VALID
	X4	.606	0.3044	VALID
	X5	.610	0.3044	VALID
	X6	.564	0.3044	VALID
	X7	.874	0.3044	VALID
Employee Performance	Y1	.601	0.3044	VALID
	Y2	.684	0.3044	VALID
	Y3	.372	0.3044	VALID
	Y4	.443	0.3044	VALID
	Y5	.633	0.3044	VALID
	Y6	.633	0.3044	VALID
	Y7	.575	0.3044	VALID

Source: SPSS data analysis 2023

According to the provided table, the validity test results for both variables X and Y are satisfactory, indicating that these tests are valid for measuring the variables under scrutiny.

Table 2. Reliability Test

The reliability of the measurement instrument, assessed through the Cronbach's Alpha test, is in line with the method discussed by Sekaran, as referenced in Priyatno. According to this criterion, a measurement instrument, like a questionnaire, is deemed reliable when it possesses a Cronbach's Alpha value exceeding 0.6. In the context of the provided table, the Cronbach's Alpha values for each variable surpass 0.6, leading to the conclusion that they are reliable.

Variable	Cronbach's Alpha	N of item
Competency	.917	7
Employee Performance	.808	7

Table 3. Simple Regression Analysis

The study's findings reveal the impact of competence (X), functioning as the independent variable, on employee performance (Y), the dependent variable:

~		-	
C_{Δ}	effic	rion	1 Ca
VU			เเรา

		Unstandardized Coefficients		Standardized Coefficients		
M	lodel	В	Std. Error	Beta	t	Sig.
1	(Constant)	18.978	4.574		4.149	.000
1 -	X	.359	.146	.362	2.457	.018

a. Dependent Variable: Y

Source: SPSS analysis, 2023

Based on the table above, we have the following simple linear regression equation:

Y = a + bX + e

Y = 18.978 + 0.359X + e

The constant in the equation is 18.978, signifying that when there is no change in the competence variable (with an X value of zero), the employee performance is 18.978 units. Additionally, the regression coefficient for the competence variable is 0.359. This implies that a 1% increase in the competence variable (X), assuming both the competence variable (X) and the constant (a) are zero, leads to a 0.359 increase in employee performance. This positive coefficient suggests that competence has a favorable impact on performance.

The Influence of Competence on Employee Performance

Based on the research results, it is found that the competence variable has an influence on employee performance at the Department of Public Works and Spatial Planning in Cimahi City. This means that an increase in job competence will affect the level of employee performance in the organization. As a result, the hypothesis formulated is consistent with the obtained results, i.e., Ho is rejected. This research aligns with the theory proposed by Agus Dharma (2004:105), explaining that when employees have high competence, they are capable of enhancing their own job performance. Improving job competence needs to be implemented within the organizational structure. Employees with job competence tend to have the ability to perform well in their tasks and possess the skills to accomplish their work based on the company's work targets. This instills motivation within employees to excel in their work, thereby improving the organization's performance. In contrast, employees with low competence tend to lack the ability to perform their work effectively. Even though they may have knowledge of their tasks, the absence of corresponding skills can hinder them from reaching the specified work targets, resulting in suboptimal outcomes. The research findings are consistent with the studies conducted by Kadir et al. (2018) and Abdi & Wahid (2018), both of which indicate that competence has an impact on employee performance.

The research results indicating a positive influence of employee competence on performance at the Department of Public Works and Spatial Planning in Cimahi City have significant implications in the context of human resource management. With these findings, organizations can take concrete steps to enhance employee performance. First, organizations can design and implement training programs focusing on developing competencies relevant to employees' roles and responsibilities. These training programs will not only improve employees' technical skills but also their interpersonal and leadership skills. Second, it is crucial to integrate the competence dimension into the performance appraisal process. This will provide a more holistic view of the extent to which employees can apply their competencies in their day-to-day work situations. Furthermore, the employee recruitment and selection process can be improved by placing greater emphasis on competencies that match position requirements. Additionally, measures such as career development programs, an organizational learning culture, open communication, and recognition of employee competency enhancement are key in creating an environment where employees feel supported and appreciated for their self-development efforts. By implementing these measures, organizations can create a more competent and productive workforce, fostering sustainable organizational growth.

CONCLUSIONS

Based on the research findings, it can be concluded that there is an influence of competence on employee performance in the Public Works and Spatial Planning Agency in Cimahi City. The magnitude of the influence of the competence variable on employee performance is 0.703 or 70.3%, while the remaining 29.7% is influenced by other factors. As for the recommendations that the researcher can provide, they include enhancing the quality of employee competence through the following approaches: 1) Providing training to

employees who may lack the necessary skills or abilities required for their tasks. This will lead to increased responsibility among employees in executing their job descriptions, resulting in satisfactory performance for the organization. 2) Furthermore, another approach is to offer continuing education opportunities for employees at the Public Works and Spatial Planning Agency in Cimahi City. This can have a positive impact on career development for employees through the education they pursue. This educational support is essential, especially for employees who may require additional qualifications to fulfill their roles effectively.

REFERENCE

- Ardiansyah, Y., & Sulistiyowati, L. H. (2018). Pengaruh kompetensi dan kecerdasan emosional terhadap kinerja pegawai. In *Jurnal Inspirasi Bisnis dan Manajemen*. core.ac.uk. https://core.ac.uk/download/pdf/229999318.pdf
- Elizar, E., & Tanjung, H. (2018). Pengaruh Pelatihan, Kompetensi, Lingkungan Kerja terhadap Kinerja Pegawai. *Maneggio: Jurnal Ilmiah Magister* http://jurnal.umsu.ac.id/index.php/MANEGGIO/article/view/2239
- Hutagalung, B. A. (2022). Analisa Faktor–Faktor Yang Mempengaruhi Kinerja Pegawai: Kompetensi, Motivasi Dan Lingkungan Kerja (Penelitian Literature Review Manajemen Sumber Daya *Jurnal Manajemen Pendidikan Dan Ilmu Sosial*. https://dinastirev.org/JMPIS/article/view/866
- Mastur, M. (2022). Dampak Efektivitas Pelatihan Kompetensi Terhadap Kinerja Pegawai, Komitmen Pegawai Sebagai Variabel Intervening Pada Pondok Pesantren. *Technomedia Journal*. https://ijc.ilearning.co/index.php/TMJ/article/view/1758
- Mulyasari, I. (2019). Pengaruh kecerdasan emosional dan kompetensi terhadap kinerja pegawai. *Journal of Management Review*. https://jurnal.unigal.ac.id/index.php/managementreview/article/view/1786
- Normi, S., & Salim, S. R. A. (2018). *Analisis Pengaruh Kompetensi Dan Iklim Orgaisasi Terhadap Kinerja Pegawai Pada Univesitas Methodist Indonesia Medan*. osf.io. https://osf.io/download/5b4c6d9225fdcd0011e59a3b/
- Pohan, M., Arif, M., & Siswadi, Y. (2021). Peranan Kinerja Pegawai: Disiplin dan Kompetensi. ... Edukasi Sosial Dan https://jurnal.ceredindonesia.or.id/index.php/sintesa/article/view/323
- Prayogi, M. A., Lesmana, M. T., & ... (2019). Pengaruh kompetensi dan disiplin kerja terhadap kinerja pegawai. ... *FRIMA (Festival Riset* http://prosidingfrima.stembi.ac.id/index.php/prosidingfrima/article/view/92
- Rahayu, S., Damanik, I. S., & ... (2021). Analisis Kepuasan Masyarakat Terhadap Kualitas Pelayanan Pada Pengadilan Negeri Simalungun Menggunakan Metode Algoritma C4. 5. *Jurasik* (*Jurnal Riset* http://ejurnal.tunasbangsa.ac.id/index.php/jurasik/article/view/273
- Rosmaini, R., & Tanjung, H. (2019). Pengaruh Kompetensi, Motivasi Dan Kepuasan Kerja Terhadap Kinerja Pegawai. *Maneggio: Jurnal Ilmiah Magister* http://jurnal.umsu.ac.id/index.php/MANEGGIO/article/view/3366
- Saputra, N., & Mulia, R. A. (2021). Pengaruh Kompetensi, Lingkungan Kerja Dan Motivasi Berprestasi Terhadap Kinerja Pegawai Negeri Sipil Sekretariat Daerah Kota Padang.

- Jurnal Ilmiah Ekotrans & Erudisi. https://ejurnal-unespadang.ac.id/index.php/JIEE/article/view/55
- Sarumaha, W. (2022). Pengaruh budaya organisasi dan kompetensi terhadap kinerja pegawai. *Jurnal Akuntansi, Manajemen Dan Ekonomi*. https://jamane.marospub.com/index.php/journal/article/view/10
- Sudarman, E. (2018). Pengaruh Profesionalisme Dan Kompetensi Birokrasi Terhadap Kinerja Pegawai Negeri Sipil Di Dinas Perindustrian Dan Perdagangan Kabupaten Karawang. In *Jurnal Study and Management Research*. jurnalsmart.stembi.ac.id. http://jurnalsmart.stembi.ac.id/index.php/jurnalsmart/article/download/99/87
- Syafira, F., & Wahyuningsih, Y. E. (2021). ANALISIS KINERJA APARATUR PEMERINTAH DALAM PENINGKATAN KUALITAS LAYANAN PUBLIK:(STUDI KASUS PADA GAMPONG LADANG In *Fair Value: Jurnal Ilmiah Akuntansi* journal.ikopin.ac.id. http://journal.ikopin.ac.id/index.php/fairvalue/article/download/720/324
- Triastuti, D. A. (2019). Pengaruh lingkungan kerja, kompetensi dan iklim organisasi terhadap kinerja pegawai. *Journal of Management Review*. https://jurnal.unigal.ac.id/index.php/managementreview/article/view/1796
 - Widiastuti, N. P., Astawa, I. W., & ... (2022). PENGARUH KUALITAS LAYANAN PUBLIK DI KANTOR DESA BAJERA TERHADAP KEPUASAN MASYARAKAT. *Journal of Applied* http://jamms.triatmamulya.ac.id/index.php/JAMMS/article/view/50