

The Influence of Human Resources Competence on Staffs Intrinsic Motivation and Performance

¹Baso Amang, ²A. Nur Insan

^{1,2}Lecturer

¹Management Studies, Post Graduate Program, ²Political and Social Study Faculty
Universitas Indonesia Timur, Makassar, Indonesia

Abstract—The aim of this research are to investigate the effect of human resource competency on employees' intrinsic motivation and further affects their performances. This research is a quantitative research with survey method conducted in PT.Eastern Pearl Flour Mills. The sample was taken by using stratified proportional random sampling. It comprised of 89 males who work as managers, assistant managers, supervisors and employees. Data were then analyzed using generalized structured component analysis. The study found that the human resource competency significantly affected employee intrinsic motivation and performance. Moreover, intrinsic motivation did not significantly affect on employee performance.

IndexTerms—Human Resource Competence, Intrinsic Motivation, Employee Performance

I. INTRODUCTION

Human resources are the valuable asset in the company. However, it is not easy for a company to make human resources become as a useful asset. There are still many companies who consider that employee is a workforce that serves as a production tool. Nowadays many companies run conventional human resources management practices, and the practice caused conflicts between the management and employees. The conflict has an impact on the working system, and that is not good for the company as well as for employees [1].

The company needs to implement a competency-based human resource management system. The system prevents conflict between the company and staff because employees are people who have needs, expectations need to be heard along with the potential and competencies that can be developed to achieve the achievements and performance of the company [2].

Human Resources in organizations or businesses have an important role. HR as a determining factor of the organization, the competence of an aspect that determines the success of an organization or company. With high competence possessed by human resources in an organization or company, of course, this will determine the quality of the human resources that will ultimately determine the quality of a company's competitive [3]

Human resources (HR) needs to be motivated to make a positive contribution to the organization. To increase employee motivation and the leader needs to provide opportunities for employees to participate in education to a higher level and training. Therefore, they have the competence to improve performance within the organization. [4].

PT. Eastern Pearl Flour Mills Makassar is one of the wheat milling industry with wheat flour products. The company has a capacity of 2800 tonnes of milling wheat per day and produce industrial starch quality. The company also produces other products such as glue plywood and pellet products. Based on strict production targets, PT. Eastern Pearl Flour Mills strives to maintain the quality or grade of products according to the demands of consumers. PT. Eastern Pearl Flour Mills hold product quality control system and detailed technical assistance to its customers. Currently, the company has developed and implemented a quality management system ISO 9000: 22.000 to better focus on meeting customer needs and to improve the company's management system as a whole. The arrangement of human resources in the company is divided into three divisions and each division headed by one person the director. The divisions are Finance & Accounting, Purchasing, and Sales & Marketing.

The main problem of companies in achieving performance targets is the motivation of the employee. Corporate management estimates that low performance is related to employee competency. Also, intrinsic motivation as a driver for the workforce to express its competence also becomes one of the determinants of employee performance.

Theory of Motivation

Motivation is the driving energy of a person who can generate the spirit to carry out an activity. In the context of human resource management, motivation becomes energy for employees to obtain the quality of work. Motivation appears in two forms: (1) intrinsic motivation and (2) extrinsic motivation. Intrinsic motivation is the motivation that arises from a person's personality to do an excellent job with personal goals. Meanwhile, external motivation is the driving force that comes from outside to do the job well. This type of motivation is usually based on individual goals such as rewards or salaries [5]. Intrinsic motivation is formed of the potential and personal interest. This motivation is characterized by feelings, interests, competencies, and satisfaction.

Theory of Competence

Competence as an individual characteristic that appears with the ability or skill to do the job. Employee competency measurement is beneficial for the company and the progress of workers [6][7].

Table 1 The Usefulness of Competency Measurements

For the organization	For employees
The employee retention potency	Knowing about the standard quality of job requirement.
Motivation the employees to get success	Knowing the strategy to develop the skills
Identifies the training needs analysis for employees	consciousness about the self-potency or attributable to organizational factors
As the part of performance measurement	Produce objectivity in the assessment process
Effective in employee selection for job mapping	Employees know the job truly entails and its benefit

II. RESEARCH METHODS

This research is a quantitative survey method. The research sample consisted of 89 respondents, male 58 and female 31 people; comprised of managers, supervisors and regular employees. Research has been conducting in the office of PT. Eastern Pearl Flour Mills in the city of Makassar Indonesia from November to January 2017. The population is 389 people. Sample research is 89 people. The research sample technique was stratified proportional random sampling. Data were analyzed using Generalized structured component analysis. There was three hypothesis of the research :

- Human resources competence affect to the intrinsic motivation (H1)
- Human resources competence affect to the employee performance (H2)
- the intrinsic motivation affect the employee performance (H3)

the generalized structured component analysis resulted in the significance value between of indicator for each variable; The analysis also tested the hypothesis of the research.

III. RESULT AND DISCUSSION

The Significance Test of Performance Indicator

The measurement of employment competence based on eleven indicators. The value of significance indicated the magnitude of the influence of indicators on variables.

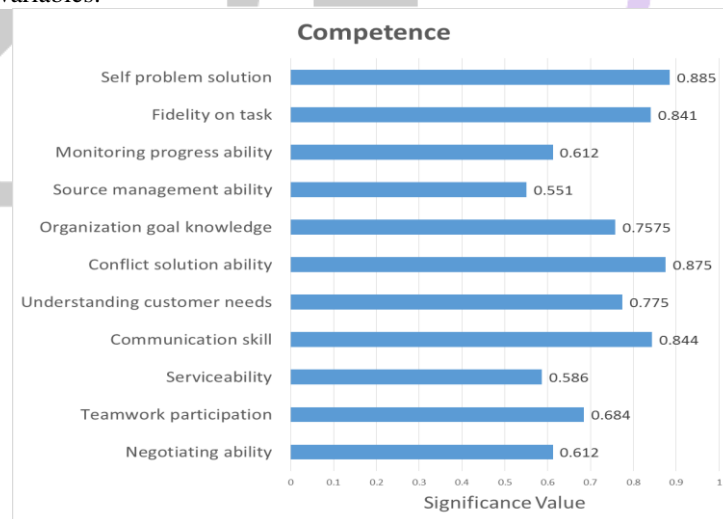


Fig 1: The significance value of human resources competence indicators

Figure 1 shows that, and all indicators have a significant influence on competence. The most significant value is the self-problem solution or the ability of employees in solving the problem without asking for help to others. The next determinant indicator is conflict solution ability. The indicator shows the employee's ability to resolve conflicts that occur on the task completion. Based on the results of analysis of significance value of performance, the company can emphasize the development of human resources on the ability to solve problems and conflict resolution.

The Significance Test of Intrinsic Motivation Indicator

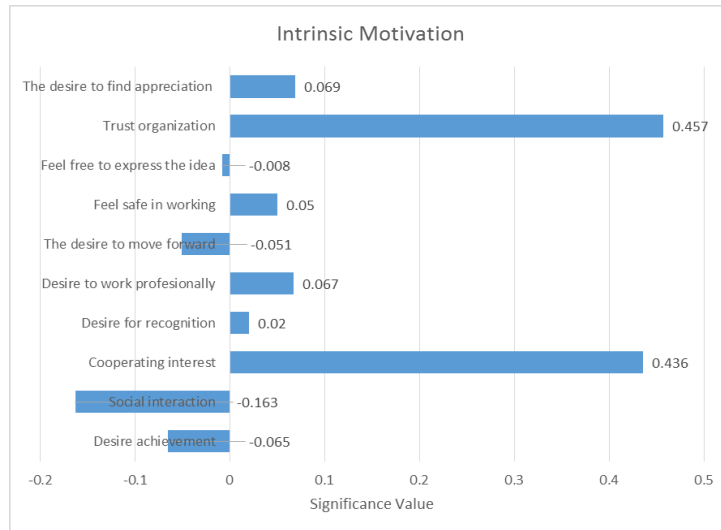


Fig 2: The significance value of intrinsic motivation indicators

Figure 2 explains that there are four indicators with negative significance or no effect on intrinsic motivation. Employee motivation is highly dependent on trust organization with a significance value of 0.457. Another very powerful indicator is the cooperating interest or the willingness of the employees to work together in the work team. The Company should increase the employee's confidence in the rights and obligations of both parties.

The result of intrinsic motivation indicator significance test

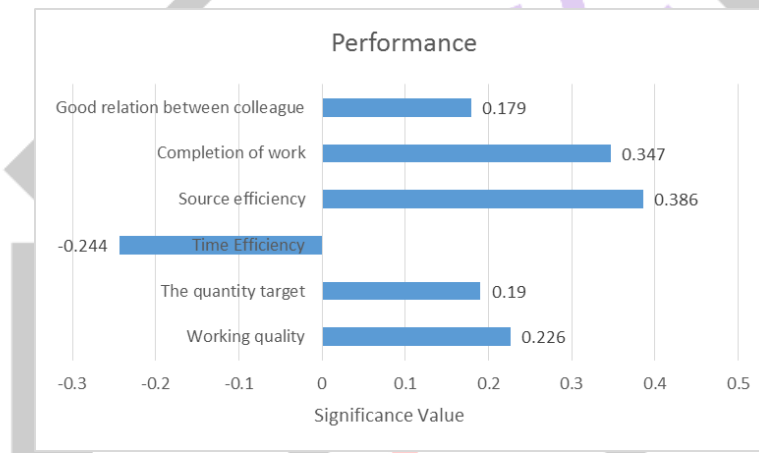


Fig 2: The significance value of performance indicators

Figure 3 show that source efficiency strongly influences employee performance. Good work can be achieved by utilizing resources efficiently. The result of the analysis shows that time efficiency does not affect performance. Standard time of completion of work prepared by the company by adjusting ability and standard work hours.

Hypothesis Result

Hypothesis test results in Table 2 below

Table 2. Structural Model

Hypothesis		Path Coefficients			Information
		Estimate	SE	CR	
H1	competence HR - >intrinsic motivation	0.932	0.043	21.75*	Significant
H2	competence HR - >employee performance	0.984	0.437	2.25*	Significant
H3	Intrinsic Motivation - >employee performance	-0.125	0.547	0.23	Not Significant

CR* = significant at .05 level

Informant:

HR competencies affect the estimate of intrinsic motivation 0.932 and value CR 21.75.

HR competencies affect employee performance with a 0.984 estimate value and CR value 2.25.

Intrinsic motivation is not a significant influence on employee performance with the estimated value of -0.125 and value CR 0.23.

Human resources competencies and significant positive effect on intrinsic motivation. The critical value obtained significant at 95% confidence level. It can be interpreted that the employees of PT. Eastern Pearl Flour Mills has the competence or the ability of a good and therefore contributes to intrinsic motivation. Competence is a critical requirement for success in the leader to assume the role, duties, functions, and responsibilities within the organization. Competence (ability) consists of the ability of potential employees (intelligence quotient), and capabilities that include knowledge and skill. This study supports the theory that the employee's performance is influenced by competence/ability and motivation [8], [9].

The competencies of the employee have significant positive effect on employee performance. The critical value obtained significant at 95% confidence level. It shows that the employees have high competence and therefore contributes to employee performance. This study supports the theory that competence is an essential characteristic of individuals who have a causal relationship or a causal referenced to the original or superior performance in the workplace, in particular, situations [10].

Intrinsic motivation is not a significant influence on employee performance because they have a negative relationship and not significant at the 95% confidence level. It can be interpreted that employee motivation is low because staffing is not by their competencies so that the effect on employee performance. There are three theories of motivation namely: the content theory that emphasizes the importance of the individual factors that cause them to behave; Process theory focuses on individual goals motivated. Reinforcement theory study of individual behavior and as a result of past actions affects future movement in a learning process. Two-factor theory of motivation, explains that there are factors intrinsic and extrinsic factors [11].

Employee performance as a function of the interaction between the ability (ability) and motivation: $kk = f(A \times M)$. Whenever it is inadequate as the capacity of employees does not support, employee performance will be negatively affected. It is, therefore, necessary to have an opportunity to perform (opportunity) so that the function of the fulfillment of the employee ($kk = f(A \times M \times O)$). This formula means that the employee's performance is a function of ability, motivation, and opportunity. Variable fulfillment in this research with indicators of quality of work, the quantity of work, timeliness, the cost of efficiency, ability to work and ability to establish a working relationship, [9], [12].

IV. CONCLUSION

The competence of human resources was a significant impact on the performance. Furthermore, the competence also has a significant effect on intrinsic motivation. Intrinsic motivation is not a significant influence on employee performance. Based on the indicator analysis, the conflicts solution ability of employee has a dominant significant to the competence. The organization should maintain the employee ability and result in the optimum performance.

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