

Employee Performance Analysis Based On Employee Engagement And Competence

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Abstract

The success of an organization is strongly influenced by the individual performance of its employees. Every organization or company will always try to improve the performance of its employees in the hope that the company's goals can be achieved. Performance is the result of quality and quantity achieved by people who carry out tasks in accordance with the responsibilities assigned to them. In order for a company to develop and survive in its activities, it is necessary to pay attention to factors that can affect employee performance, for example through employee involvement and competence. This study aims to analyze the effect of employee engagement and competence on employee performance at CV Berkah Makmur Jaya Kendal, Central Java, Indonesia.

This type of research is quantitative research. The data used in this study came from primary data using a questionnaire distributed to employees of CV Berkah Makmur Jaya, Kendal, Central Java, Indonesia.

The population in this study were 150 employees of CV Berkah Makmur Jaya Kendal. The sampling technique in this study used the proportional stratified random sampling method by taking 109 respondents based on the Slovin formula and the analytical tool used was multiple linear regression analysis using SmartPLS version 3 software.

The results show that 1) employee engagement has a positive and significant effect on employee performance and 2) competence has a positive and significant effect on employee performance.

Keywords : competence, employee engagement, employee performance

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I. Introduction

Human resource management is the use, development, appraisal, remuneration and management of individuals within an organization or group of employees [1], Valuing employees, ideas and differences, can be one of the paths to sustainable business growth. In many large companies, employees are often recognized as their most valuable asset and are considered critical to the success of the organization. Therefore, Human Resource Development is an important part of business strategy to achieve business growth [2]

Performance is a real behavior that is shown by everyone as work performance produced by employees according to their roles [3][4]. Many factors can affect employee performance, one of the factors that affect employee performance is employee involvement. This is also supported by research [5], [6],[7], which state that employee involvement has an impact on employee performance [8]. This study found that employee involvement had no significant effect on employee performance. Other variables that affect performance employees are competence. The results of competency research on employee performance were also carried out by other researchers [9],[10], which showed that these competencies had an impact on employee performance. Not only influence, there are conflicting research results, namely research [11]. This study shows that competence has no significant effect on employee performance.

A person who has decided to work in a company but has not completed all his duties, therefore he will not continue or continue his work. Employees with high employee engagement will work enthusiastically, enjoy their work, enjoy working overtime, arrive early and always try to improve quality to advance the company. Employee engagement is an employee who performs physical, cognitive, and emotional work, work and self-expression roles in the job. Employees associated with the company find meaning in their work and are proud to be a part of the company. Employees will work harder and try hard to get the best job expected in time and effort Because employees work overtime, employee performance also increases. Several researchers [5],[6],[7], show that employee engagement has a positive effect on employee performance, this shows that employees have an attachment that leads to good employee performance.

Many companies have poor employee engagement, as in the results of observations conducted by [12] in one company in Batang, employees in general units during working hours are even busy playing social media and

playing games on their computer desks. In addition to conducting observations and interviews [12] also conducted a preliminary study. A preliminary study was conducted by researchers on February 4, 2013 by giving a questionnaire containing 12 items related to the theory of employee engagement to 30 employees, with the results showing that of 30 employees 3 have high employee engagement and 27 employees have low employee engagement. attachment.

Competence is the most difficult thing to imitate, because its characteristics are indeed different and specific for each individual [13]. Accordingly, the results of research [14] conducted for more than 20 years, have identified six dimensions or clusters of competencies that are able to predict superior behavior and individual performance. The six competency clusters include achievement and action competencies, service competencies (helping and human services), and impact competencies. This is also confirmed by [15] who says that high competence and performance indicate that the organization is well managed and will basically result in effective management behavior. In supporting the success of a company, it is possible for companies to evaluate the performance of their employees. This is necessary to determine the level of success of each employee's performance. In other words, this assessment is carried out to assess and evaluate the skills, abilities, achievements and growth of an employee. Competence reflects the knowledge, attitudes, personal values and skills possessed by an employee. Employees who have high knowledge, attitudes, values and personal skills will increase the performance of the employees themselves. Competence can affect performance because with high ability, employee performance will be achieved. Conversely, if the ability of employees is low, then performance will not be achieved [16]. This is supported by empirical research from [9],[10],[16], that competence has an effect on employee performance.

The results of previous studies regarding the analysis of employee engagement and competence on employee performance obtained different results, resulting in a research gap. Therefore, this study intends to further analyze previous studies due to the research gap. However, in some cases in this company there are still employees who have not been involved or involved in their work. There are still many employees who resign for various reasons, so employees need to make efforts to strengthen or increase employee engagement. This is done because employee engagement will make employees focus on the performance they want to achieve, build solid teamwork, and don't forget to thank and appreciate the performance between departments/divisions. Employees are engaged at work, so they stay loyal to the company.

Based on the gaps and research phenomena at CV Berkah Makmur Jaya, it can be called "Employee Performance Analysis Based on Employee Engagement and Competence". The findings of this study can be formulated based on the above background 1). How does employee involvement affect employee performance?, 2). How do competencies affect employee performance? The hypotheses of this research are: 1) there is a positive and significant effect of employee engagement on employee performance. 2) there is a positive and significant effect of competence on employee performance.

II. Materials and methods

2.1. Population and Sample

Population is all data that is the focus of attention of researchers in a predetermined size and time [17]. Population is related to data, if people provide data then the population size or number of people is equal to the number of people. The population in this study were employees of CV Berkah Makmur Jaya on Jalan Raya Desa Dawungsari-Winong totaling 150 people, all employees of CV Berkah Makmur Jaya with 96 male employees and 54 female employees who will be used as research. population. It is known from the respondents that 50 people are in the cutting section, 40 people are in the oven section, 30 people are in the adhesive section and 30 people are in the press section.

The sample is part of the total population and the characteristics possessed by a population [17]. The sample in this study were all employees of CV Berkah Makmur Jaya who were on Jl. Raya Dawungsari, Winong Village, Ngampel District, Kendal Regency. Because in this study the number of populations is known, then to calculate the number of samples from the population using the Slovin formula as follows:

$$n = \frac{N}{1 + Ne^2}$$

Information :

n: Minimum number of samples

N: Population

e: Error rate or critical value

Sampling is carried out at a 95% confidence level or a critical value of 5% so that the magnitude can be calculated as follows:

$$n = \frac{150}{1 + \frac{(150 \times 0,05)^2}{150}}$$

$$n = \frac{150}{1 + (150 \times 0,0025)}$$

$$n = \frac{150}{(1 + 0,375)}$$

$$n = \frac{150}{1,375}$$

n = 109,09 rounded 109 people

According to the calculation, the sample taken is 109 respondents. Then it is calculated for each part using the Proportional Stratified Random Sampling formula as follows:

$$ni = \frac{Ni}{N} \times n$$

ni = number of sample members by strata

n = total number of sample members

Ni = number of population members by strata

N = total number of population members

So the calculation is:

Table 1. Calculations Proportional Stratified Random Sampling

No.	Population	Calculations based on Proportional Stratified Random Sampling	Number of samples based on stratification
1	50 <i>cutting</i>	50/150 x 109	36
2	40 <i>ovens</i>	40/150 x 109	29
3	30 <i>glue</i>	30/150 x 109	22
4	30 <i>press</i>	30/150 x 109	22
Sum	150		109

Source : primary data processing, 2021

So, the number of samples used in this study was 109 respondents according to the calculation above. The research was conducted for 3 (three) months, in 2021

2.2. Research Model and Hypotheses

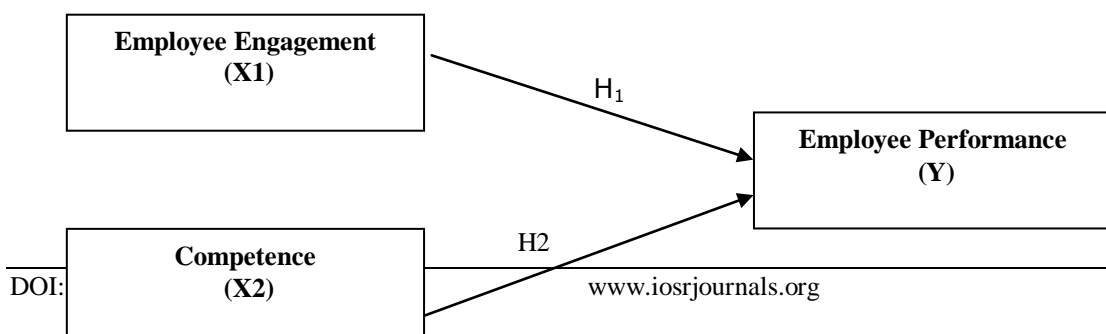


Figure 1: Research Model

The hypotheses of this research are: 1). H₁: there is a positive and significant effect of employee engagement on employee performance. 2). H₂: there is a positive and significant effect of competence on employee performance

2.3. Variable Operation

Table 2. Variable Operation

Sources : several research journals

2.4. Hypothesis test

Hypothesis testing in this study used the partial least squares (PLS) method. PLS is an alternative analysis method that uses a variance-based structural equation model (SEM). The advantages of this method are that there are no assumptions and can be estimated with a relatively small sample size. The tool used is SmartPLS version 3, a program specially developed for estimating structural equations based on variance [18][19][20].

2. 4. 1. Masurement Evaluation (outer) Model

a. Validity test

No.	Variable	Operasional Definition	Indicator
1.	<i>Employee Involvement (X1)</i>	The Positive attitude of individual employees towards the organization and the values of the organization.	1. Working conditions 2. Compensation 3. Fair feeling 4. Kinship 5. Leadership
2.	<i>Competence (X2)</i>	The ability needed by a person in carrying out his work based on knowledge, skills and work attitudes.	1. Knowledge 2. Understanding 3. Ability 4. Attitude 5. Score
3.	<i>Employee Performance(Y)</i>	The results of the quality and quantity of work obtained by a person in carrying out in duties in accordance with the responsibilities given.	1. Quality 2. Quamtity 3. Stipulation 4. Presence 5. Ability to cooperate

This validity test is used to measure the validity of a questionnaire [21]. A questionnaire is considered valid if the questions in the questionnaire can describe what the questionnaire will measure. Validity test can be determined by looking at r count, such as r arithmetic sig. < 0.05 = valid r count sig. > 0.05 = invalid [21].

The indicator is valid if it has a load factor of more than 0.5 for construction. Another way to validate the determination is to look at the square root of the extracted mean variance (AVE). The recommended value is more than 0.5.

b. Reliability Test

The confidence test is carried out by looking at the combined confidence value of the indicator block that measures the construct. The combined reliability results will show a satisfactory value if it is greater than 0.7. Reliability tests can also be strengthened with Cronbach's Alpha

Reliability is a measure used to measure the questionnaire which is an indicator of a variable or construct [21]. A questionnaire is said to be reliable or reliable if a person's response to a claim is consistent or stable over time. Answers from respondents to these questions are answered consistently or the answers do not have to be random, because each statement wants to represent the same thing. If the response of the indicator is arbitrary, it can be called unreliable. Reliability measurement can be done with One Shot or one time measurement. It is only measured once and the results are compared with other questions or the correlation between the answers to the questions is measured. The instrument to measure reliability is Alpha Cronbach. Subject to the following conditions [21] :

- a. If Cronbach's alpha () > 0.70, the questionnaire can be said to be reliable
- b. If Cronbach's alpha () < 0.70, the questionnaire can be said to be unreliable

2. 4. 2. Structural Model (inner Model)

After the estimated model can meet the External Model criteria, the next step is to test the structural model (Inner Model). In the structural model, hypotheses are tested based on their importance:

(1). path coefficient,

a. Path Coefficient (Linear Regression Analysis)

The path coefficient shows that in addition to measuring the strength of the relationship between two or more variables, regression analysis also shows the direction of the relationship (influence) between independent variables [21]. Testing Multiple Linear Regression Analysis with SmartPLS Version 3. The analysis used to obtain the regression equation shows the suitability between the dependent variable and the independent variable.

With the formula: $Y = a + b_1X_1 + b_2 X_2 + e$

Description:

Y = Performance
X1 = Employee Engagement
X2 = Competence
a = regression constant
b = regression coefficient
e = error

b. Coefficient of Determination (R^2)

The coefficient of determination is used to measure how well the model's ability to explain variations in the dependent variable is used. The value of the coefficient of determination is between the value of zero (0) and the value of one (1). variation of a dependent variable is very limited. A value close to one means that the independent variable provides almost all the information needed to predict the variation of the dependent variable [21]. Many researchers recommend using the adjusted value of the coefficient of determination (R^2) when evaluating the best regression model. Unlike R^2 , the adjusted value of R^2 can increase or decrease when the independent variable is added to the model [21].

The standard coefficient of determination R^2 consists of three categories. That is, the values of $R^2 = 0.67$, $R^2 = 0.33$ and $R^2 = 0.19$ as substantial, moderate and weak [20].

c. t-test (Student t-test)

Basically, this test shows how different the influence of one independent variable is on the variation of the independent variable. Partial test or basic t-test to show how much influence a separate independent variable has in explaining the variation of the dependent variable[21]. The stages of the t-test are

1). H_0 and H_a determine

- a). $H_0 : b_i = 0$ hypothesis to test whether the parameter is equal to zero.
- b). $H_1 : b_i \neq 0$. alternative hypothesis whose a parameter are not equal to zero.

2). Defined significance : 0.05%

3). Conclusion :

- a). If the significance value is < 0.05 , the null hypothesis (H_0) is rejected or the independent variable has a significant effect on the dependent variable.
- b). If the significance value > 0.05 then the null hypothesis (H_0) is accepted or the independent variable has no significant effect on the dependent variable.

d. Goodness of Fit (GoF)

GoF is a test of the accuracy of the sample regression function in estimating the actual value that can be measured accurately. Statistically, this can at least be measured by the value of the coefficient of determination. Statistical calculations are considered statistically significant if the value of the statistical test is within the critical range (range where H_0 is rejected). On the other hand, if the stat on some is acceptable: H_0 , it is said to be trivial.

The GoF index is a single index used to validate the combined performance of measurement and construction models. This value is the square root of the mean community index multiplied by the mean value of the R^2 model. GoF values range from 0 to 1 and interpretive values are 0.1 (small GoF), 0.25 (GoF average), 0.36 (large GF) [20]

1. NFI (Normal Fit Index) is defined as 1. The χ^2 value of the proposed model is divided by the χ^2 value of the zero model minus the value. As a result, the NFI will be a value between 0 and 1. The closer the NFI is to 1, the better the approval quality. NFI values above 0.9 usually represent an acceptable fit [22].
2. Predictive relevance (Q-square) is also known as Stone-Geisser. This test is performed to determine the predictive ability with an eye patch procedure. If the values obtained are 0.02 (small), 0.15 (medium) and 0.35 (large). The measurement uses R^2 with the same interpretation as the regression. The predictive relevance of Q^2 to the construct model measures how many observed values are created by the model and parameter estimates. The value of $Q^2 > 0$ indicates that the model has predictive relevance. Conversely, if the value of $Q^2 < 0$, then the prediction is not relevant. The formula $Q^2 = 1 - (1 - R^2)$ [20]

III. Results

3.1. Measurement Evaluation (Outer) Model

3.1.1. Outer/ external model according to SmartPLS Version 3, as follows:

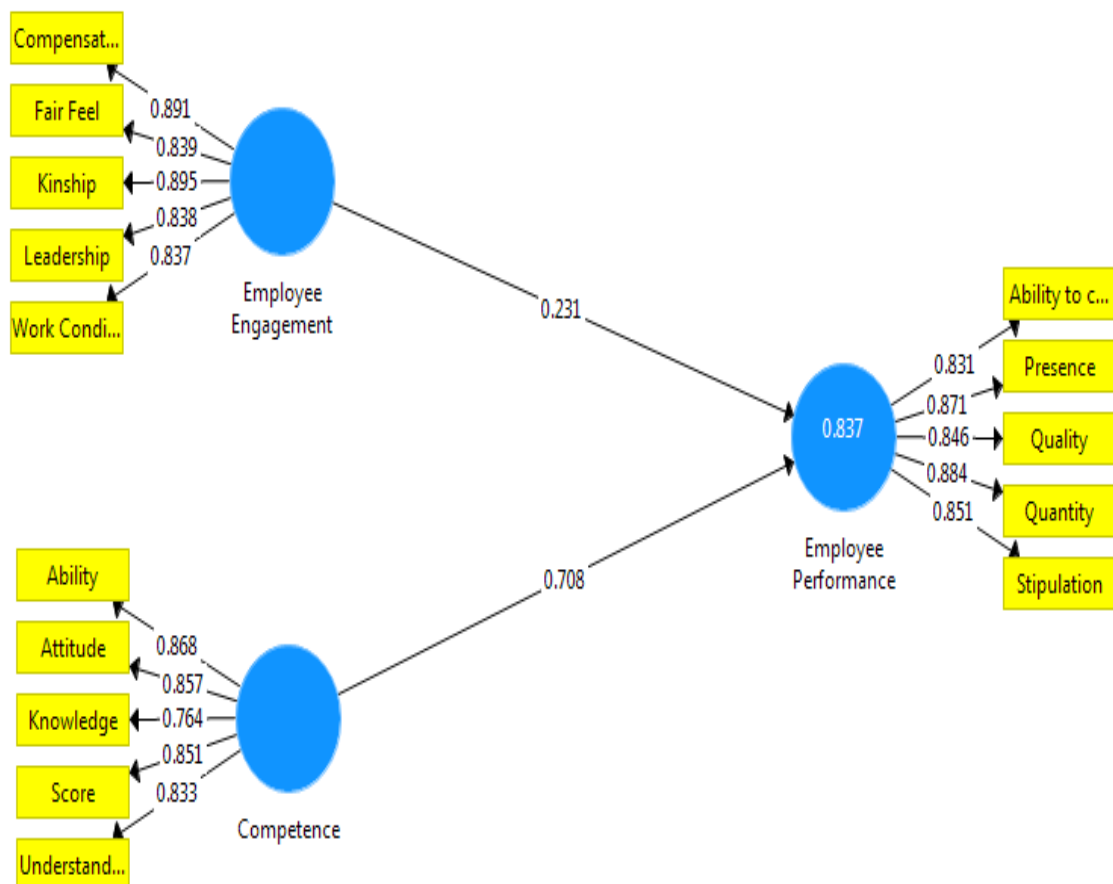


Figure 2: Outer Model

3.1.2. Validity Test and Reliability Test

Result of program SmartPLS, the output of the validity and reliability tests are as follows:

Table 3. : Reliability dan Validity

	Cronbach Alpha	rho_A	Composite Reliability	Extracted Mean Variance (AVE)
Employee engagement	0,912	0,917	0,934	0,740
Competence	0,891	0,893	0,920	0,698

Employee performance	0,909	0,912	0,932	0,734
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Source : primary data processing, 2021

A. Validity test

Validity test is used to measure whether or not a questionnaire is valid [21]. A questionnaire is declared valid if the questions on the questionnaire are able to reveal something that will be measured by the questionnaire. Validity test can be known by looking at r count, if r count sig. < 0.05 = valid r count sig. > 0.05 = invalid [21].

1). Validity test

An indicator is declared valid if it has a loading factor above 0.5 for the construct in question. The SmartPLS output for the loading factor gives the following results:

Tabel 4. Validity Test Results

	Employeee engagement	Competence	Employee performance
Work condition	0,837		
Compensation	0,891		
Fair feeling	0,839		
Kinship	0,895		
Leadership	0,838		
Knowledge		0,764	
Understand		0,833	
Ability		0,868	
Attitude		0,857	
Score		0,851	
Quality			0,846
Quantity			0,884
Stipulation			0,851
Presence			0,871
Ability to cooperate			0,831

Source : primary data processing, 2021

According to table 4, using SmartPLS software, it can be concluded that all indicator variables with a loading factor > 0.5 are said to be valid.

2). Average variance extracted (AVE)

Another way to see discriminant validity is to look at the square root value of the average variance extract (AVE). The recommended value is above 0.5. The validity criteria are based on the Average Variance Extracted (AVE) value of each construct. The construct is said to have high validity if the AVE value is above 0.50. Based on table 3.3, it can be concluded that all constructs meet the valid criteria as indicated by the AVE value > 0.50 according to the recommended criteria.

B. Trust test

The reliability test is carried out by looking at the composite reliability value of the indicator block that measures the construct. The results of composite reliability will show a satisfactory value if it is above 0.7. The reliability test can also be strengthened with Cronbach's Alpha

Reliability is a measuring tool to measure the questionnaire which is an indicator of a variable or construct [21]. A questionnaire is said to be reliable or reliable if a person's answer to the statement is consistent or stable from time to time. Respondents' answers to questions were answered consistently or the answers should not be arbitrary, because each statement wanted to carve out the same thing. If the answer to the indicator is random, it can be said to be unreliable.

Reliability test is carried out to measure the consistency, accuracy and accuracy of an indicator in making measurements. Reliability testing on SEM-PLS is done by looking at the Composite reliability (CR) and Cronbach alpha parameters.

1). Composite Reliability

Composite Reliability to test the value of the indicator reliability on a variable. A variable can be declared to meet composite reliability and Cronbach Alpha. If the value of composite reliability > 0.6 then it is declared reliable. Based on the data shown in the table above, we can see that the composite reliability value of all research variables > 0.6. variable has a high degree of reliability.

2). Alpha Cronbach

Reliability test using the composite reliability above can be increased by using Cronbach's alpha value. A variable can be declared reliable or satisfactory Cronbach's alpha if Cronbach's alpha value is > 0.7 .. Here are the cronbach alpha values for each variable: is > 0.7. Thus these results can indicate that each research variable has met the requirements of the Cronbach alpha value, so it can be concluded that all variables have a high level of reliability.

3.2. Structural Model (Inner Model)

4.2.1 Path Coefficient (Linear Regression Analysis)

Multiple linear regression analysis technique was used to determine the effect of employee engagement and competence on employee performance at CV Berkah Makmur Jaya, Kendal Regency. The results of multiple analysis can be seen in table 5.

Table 5: Multiple Linear Regression Results (Path Coefficient)

	Employee engagement	Competence	Employee performance
Employee engagement			0,231
Competence			0,708
Employee performance			

Source : primary data processing, 2021

The regression results, a linear equation of employee engagement and competence on performance is made as follows:

$$Y = 0.231 X_1 + 0.708 X_2 + e$$

The regression equation contains the following meanings:

- a. Employee involvement (β_1) = 0.231. The positive value obtained indicates an increase in employee engagement, which will increase employee performance.
- b. Competence (β_2) = 0.708. The positive value obtained indicates an increase in competence, it will improve employee performance.

4.2.2. Coefficient of Determination (R²)

The coefficient of determination measures the ability of the independent variable in explaining the dependent variable. The results of the coefficient of determination of employee engagement and competence on employee performance can be seen in table 6.

Table 6: Results of the Coefficient of Determination (R-square)

	R Square	Adjusted R Square
Employee performance	0,837	0,833

Source : primary data processing, 2021

The magnitude of the coefficient of determination can be seen in the Adjusted R-square of 0.833. This means that employee engagement and competence are able to explain employee performance by 83.3% (0.833 x 100%) while 16.7% (100% - 83.3%) employee performance is influenced by variables outside of employee engagement and competence such as work discipline, job characteristics, motivation, compensation.

4.2.3 t-test (student t-test)

The data processing performed, the results can be used to answer the hypothesis of this study. Hypothesis testing for this study was conducted by testing the T-Statistics and P-Values. The research

hypothesis can be declared accepted if the P-Values <0.05. The following are the results of testing the hypothesis of this study:

Table 7 : Test Student– t result

	Original sample(O)	Sample average (M)	Standard deviation (STDEV)	T Statistic ((O/STDEV))	P Value
Employee engagement -> Employee performance	0,231	0,228	0,083	2,770	0,006
Competence-> Employee performance	0,708	0,713	0,072	9.886	0,000

Source : primary data processing, 2021

The results of the t-test can be proven as follows:

1. The results of the t-test of employee engagement on performance are 2,770 with sig. 0.006 is smaller than 0.05 so that it accepts the hypothesis that employee engagement has a positive and significant effect on employee performance
2. The results of the competency t-test on performance are 9,886 with sig. 0.000 is smaller than 0.05 so that it accepts the hypothesis that competence has a positive and significant effect on employee performance.

4.2.4 Goodness of Fit (GoF)

The GoF index is a single index used to validate the combined performance of the measurement and structural models. This GoF value is the square root of the average community index multiplied by the average value of the R² model.

- a. NFI (Normed Fit Index)

Table 8 : NFI (Normed Fit Index)

	Saturated Model	Approximate Model
SRMR	0,072	0,072
d_ ULS	0,626	0,626
d_ G	0,925	0,925
Chi-Square	458.011	458.011
NFI	0,734	0,734

Source : primary data processing, 2021

The NFI value is used to validate the combined performance of the measurement model (outer model) and structural model (inner model) with an NFI value > 0.7. The results of the analysis are 0.734 greater than 0.7, and the model is declared good.

- b. Q² (Q Square)

The value of Q² > 0 indicates the model has predictive relevance. Conversely, if the value of Q² < 0, then predictive-non-relevance. How to calculate Q² is obtained by the formula:

$$\text{Formula: } Q^2 = 1 - (1 - R^2)$$

$$Q^2 = 1 - (1 - 0.837)$$

$$Q^2 = 1 - (0, 16,7)$$

$$Q^2 = 0.837$$

The value of Q Square (Q²) > 0 , this indicates that the model has a predictive relationship.

IV. Discussion

The results of the research on the effect of employee engagement and competence on employee performance at CV Berkah Makmur Jaya, Kendal Regency will be analyzed through the following research discussion:

1. The Effect of Employee Engagement on Employee Performance

The effect of employee engagement on employee performance has a positive and significant effect, as evidenced by the results of the 2.770 t test with sig. $0.006 < 0.05$. These results can be interpreted as an increase in employee engagement in carrying out tasks to improve employee performance. Employee engagement is a high-level emotional and intellectual connection that an employee has with a project, organization, manager, or co-worker, which gives them the influence to put more effort into their work [23]. So by generating employee engagement, employees will feel comfortable with their work environment, the compensation given is appropriate, there is fairness in work, harmonious kinship relationships are established and support from the leadership, so that this can improve employee performance.

Comfort and feeling with the work environment, shows that most of the respondents feel comfortable and happy. This is because work is something that is really needed by everyone, especially employees because of difficult economic conditions and jobs that are difficult to get. Whatever work they are facing, employees feel comfortable and happy to work at the company.

Salary and benefits are commensurate with the work done. Salaries of employees with high school education receive a minimum payment of Rp. 2,335,735 according to the Decree of the Governor of Central Java dated November 20, 2020. However, for employees with elementary or junior high school education, it is still below the Kendal Regency UMK (minimum salary of city) salary according to their education level.

Fair and respectful treatment in the workplace, employees generally receive fairness and respect in the workplace. However, it is possible that employees with elementary or junior high school education because of their low education sometimes feel inferior and feel less valued at work. However, in any workplace, not all employees are able to establish a close and harmonious relationship because there are one or two people who have disagreements with other employees.

Leaders always provide support to continue to work well, leaders always provide support to subordinates or employees to work as well as possible because this is the responsibility of the leadership to motivate employees to excel so that the performance of the leadership will be affected by the work performance of its employees. Even with a busy schedule, sometimes leaders forget to provide support or motivation to employees.

The results of this survey are in line with the results of the survey. The results of this study are in accordance with the results of research [6], [5] as well as [7], which show that employee engagement has an effect on employee performance.

2. The Influence of Competence on Employee Performance

The influence of competence on employee performance has a positive and significant effect, as well as the results of the t-test 9,886 with sig. $0.000 < 0.05$. These results can be interpreted as an increase in employee competence to further improve employee performance. Competence is a basic characteristic of a person that allows him to excel in a particular job, position or situation[24], so having competencies such as knowledge, understanding, skills, attitudes and values will be able to improve employees. show.

Employee knowledge is very helpful for understanding work task disks. The average employee is senior high school and the majority have received training in various knowledge such as sewing, cutting, gluing, oven (drying), pressing, BLK (job training center), workshop, furniture and computers. can be considered sufficient to support the smooth running of the work.

Good insight into the characteristics and working conditions that are effective and efficient. Each type of work has different characteristics and working conditions, so employees need to know it because if one employee cannot work in a day, other employees can change because they know the type of work they are facing.

The ability of employees to choose work methods that are considered more effective and efficient, employees are able to do so. This is because employees who received education at the senior high school level, vocational school, had previously understood the type of work given where previously at school they had received education and practice while at school.

The attitude of good co-workers in supporting employees to complete work that requires teamwork, almost all employees have done it. This is because there is no support and teamwork, so a job will be neglected or delayed in completion.

Honesty in carrying out work, employees are honest in completing work in accordance with leadership instructions or standards set by the company. Employees must be responsible for carrying out their work as well

as possible, both the results of their work and working with their team. If employees are not honest, it can be seen from the results of their work that do not meet quality standards.

The results of this study are in line with the results of research [10], [16] as well as [9], which show that competence has an effect on employee performance.

V. Conclusion

5.1. Conclusion

The results of research on the effect of employee engagement and competence on employee performance at CV Berkah Makmur Jaya, Kendal Regency, can be drawn several conclusions as follows:

1. The effect of employee engagement on employee performance has a positive and significant effect, as evidenced by the t test results of 2,770 with sig. $0.006 < 0.05$, so it can be concluded that in an effort to improve employee performance there must be an increase in employee engagement which includes comfortable working conditions, appropriate compensation, fair feelings, good family and leadership support.
2. The influence of competence on employee performance has a positive and significant effect, as evidenced by the results of the t-test of 9.886 with sig. $0.000 < 0.05$, so it can be concluded that in an effort to improve employee performance there must be an increase in competence which includes sufficient knowledge, good understanding, ability to choose effective and efficient work methods, good attitude towards co-workers and honest self-esteem in work. .

5.2. Suggestion

At the research results obtained, it can be suggested that the employee engagement of CV Berkah Makmur Jaya has the lowest effect on employee performance ($b_1 = 0.231$), especially on indicators of salary and benefits obtained in accordance with the work done. and get the lowest rating. This indicator produces 5 respondents strongly Disagree, 17 answers Disagree and 41 answers Agree. CV Berkah Makmur Jaya should provide a comparable salary by providing additional incentives when employees get additional assignments and when they achieve work targets. In addition, it also provides year-end bonuses as a reward for employees who have worked hard for the company.

5.3. Recommendation

Further research, the results of this study can be used to compare by adding or replacing independent variables so that they can find out variables that can affect employee engagement and employee competence on employee performance, such as work discipline, job characteristics, motivation, compensation, job insecurity, job attachment

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