Research Paper

The Effect of Competence and Job Satisfaction on Employee Performance and Its Implications on Organizational Effectiveness

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ABSTRACT: This study aims to analyze the effect of competence and job satisfaction on employee performance, analyze the effect of competence and job satisfaction on organizational effectiveness, analyze the effect of employee performance on organizational effectiveness and analyze the effect of competence and job satisfaction on organizational effectiveness through employee satisfaction. The number of samples in this study were 44 respondents. The analysis technique uses path analysis. The results of the analysis show that competence and job satisfaction have an effect on employee performance. Competence and job satisfaction affect the effectiveness of the organization. Employee performance affects the effectiveness of the organization. Organizational effectiveness mediates the effect of competence and job satisfaction on organizational effectiveness.

KEYWORDS: Competence, Job Satisfaction, Employee Performance, Organizational Effectiveness

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I. INTRODUCTION

The organization is a complex entity that seeks to fully allocate resources for the achievement of goals. If an organization is able to achieve the goals that have been determined, it can be said that the organization is effective. One of the goals of the organization is to achieve the effectiveness and efficiency of employees' work. In achieving organizational effectiveness, the human resource factor is very dominant. Competent human resources can support the success of the organization. The results of research by Zaini and Agustina (2019), as well as Jafar and Zulqadri (2020) prove that competence has an effect on organizational effectiveness.

Organizational effectiveness describes the entire cycle of inputs, processes and outputs that refer to the results of an organization, program or activity that states the extent to which goals (quality, quantity, and time) have been achieved, as well as measures of success or failure of an organization to achieve its goals and achieve its targets. This means, that the effectiveness that matters is solely the desired result or goal. The results of research by Fernanda (2015) and Songgor and Suryana (2019) prove that employee performance has an effect on organizational effectiveness.

Quality human resources are human resources who have good skills, abilities, knowledge, and attitudes at work. Therefore, organizations need to take steps in order to develop and improve employee competencies. Employees are expected to always hone their abilities, knowledge, and skills so that they are better suited to the demands of the times and can improve employee performance in the organization. Competence can broaden and deepen employees' work abilities. The more often employees do the same job, the more skilled and faster the employee will complete the job. Competence is a set of behaviors that contain a distinctive appearance pattern that describes the implementation of relevant tasks (Haryono et al., 2021). The more kinds of work a person does, the richer and wider his work experience will be and the increase in performance will also increase (Simanjuntak, 2005). The research results of Saputra et al. (2016) and Manik and Syafrina (2018) found that competence has an effect on performance. In contrast to the results of research by Dhermawan et al. (2012) who found that competence had no effect on performance.

Good performance is a goal to be achieved by every organization. The performance of an organization cannot be separated from the performance of employees in carrying out their duties and responsibilities. Thus,
The Effect of Competence and Job Satisfaction on Employee Performance and Its Impact

the progress or failure of an organization is largely determined by the role and quality of its employees. According to Robbins (2008; 102) employee performance is one of the impacts or benchmarks of job satisfaction. Employees who are satisfied with their work will work more productively, while employees who are dissatisfied with their work will work less productively and tend to have a desire to quit their job. Job satisfaction will be obtained if there is a match between the expectations of workers and the reality they get at work. Employees will feel satisfied at work if there is no gap between what the employee wants and the perceived reality. The increase in employee job satisfaction will also increase employee performance. The results of research by Dhermawan et al. (2012), Damayanti et al. (2018) Kertiasi et al. (2018) found that job satisfaction has an effect on performance. However, the results of Irawan's research (2010) found that job satisfaction had no effect on employee performance. Employees who feel satisfied at work, of course, employees will try their best with all their abilities to complete their work assignments, thus the work results of employees will increase optimally. The increase in employee job satisfaction will also increase employee performance. The results of research by Dhermawan et al. (2012), Damayanti et al. (2018) Kertiasi et al. (2018) found that job satisfaction has an effect on performance. However, the results of Irawan's research (2010) found that job satisfaction had no effect on employee performance. Employees who feel satisfied at work, of course, employees will try their best with all their abilities to complete their work assignments, thus the work results of employees will increase optimally. The increasing employee job satisfaction will also increase employee performance. The results of research by Dhermawan et al. (2012), Damayanti et al. (2018) Kertiasi et al. (2018) found that job satisfaction has an effect on performance. However, the results of Irawan's research (2010) found that job satisfaction had no effect on employee performance. Employees who feel satisfied at work, of course, employees will try their best with all their abilities to complete their work assignments, thus the work results of employees will increase optimally. However, the results of Irawan's research (2010) found that job satisfaction had no effect on employee performance. Employees who feel satisfied at work, of course, employees will try their best with all their abilities to complete their work assignments, thus the work results of employees will increase optimally. However, the results of Irawan's research (2010) found that job satisfaction had no effect on employee performance. Employees who feel satisfied at work, of course, employees will try their best with all their abilities to complete their work assignments, thus the work results of employees will increase optimally. Employees who feel satisfied at work, of course, employees will try their best with all their abilities to complete their work assignments, thus the work results of employees will increase optimally.

Al-Hikam Student Boarding School Cooperative Malang is a type of cooperative intended for students, members of the cooperative, and the surrounding community. The problem that occurs in cooperatives is that there are employees who do not master the work and are less responsive in meeting customer needs. The problem regarding employee satisfaction is that there are some employees who are not satisfied with the salary they receive because it is not in accordance with employee expectations, so that employees work less than optimally and the impact on performance has decreased, so cooperatives become less effective. The results of research by Daliman (2016) and Harri (2019) found that job satisfaction has an effect on organizational effectiveness.

The phenomenon of employee competence can be seen that there are several employees who do not master their work, where the completion of tasks is only handled by a few employees, both individually and in teams, so that tasks tend to be concentrated on employees who are judged to have competence in terms of abilities, skills and abilities, , while some other employees work modestly which has an impact on delays in completing work.

II. LITERATURE REVIEW

2.1. Organizational Effectiveness

Organizational effectiveness according to Siagian (2010) is the use of certain amounts of resources, facilities, and infrastructure that are consciously determined beforehand to produce a number of goods for the services they carry out. Effectiveness shows success in terms of whether or not the targets have been achieved. If the results of the activity are closer to the target, it means the higher the effectiveness. Robbins and Coulter (2007) suggest organizational effectiveness as a level at which an organization can realize its goals. Georgopoulas and Tannebaum (2005) argue that organizational effectiveness is the degree to which the organization manages to utilize existing resources as optimally as possible in an effort to achieve its goals or objectives while avoiding minimal tension between its members.

2.2. Employee performance

Performance according to Edison et al. (2017) is the result of a process that refers to and is measured over a certain period of time based on pre-determined provisions or agreements. Mangkunegara (2017:9) argues that performance is the result of work in quality and quantity that can be achieved by an employee in carrying out tasks in accordance with the responsibilities given to him.

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2.3. Competence
Competence according to Wibowo (2012: 86) is: an ability to do or carry out a job or task based on skills and knowledge and supported by the work attitude demanded by the job. Competence according to Edison et al. (2017:141), are the underlying characteristics of a person who produce effective work and/or superior performance. Spencer and Spencer (2007:9) define competence as: characteristics that underlies a person and relates to the effectiveness of the individual's performance in his work.

2.4. Job satisfaction
Job satisfaction according to Robbins (2015: 170) is a person's general attitude towards work, the difference between the amount of income an employee receives and the amount that employees receive, namely what employees should receive. In principle, every organization always wants its employees to work optimally in order to help accelerate the achievement of other organizational goals and increase profits. Hasibuan (2008: 202) defines job satisfaction as an emotional attitude that is pleasant and loves his job. This attitude is reflected by work morale, discipline, and work performance. Job satisfaction is enjoyed at work, outside of work, and a combination of inside and outside work. Meanwhile, according to Mangkunegara (2009: 117) job satisfaction is a feeling of supporting or not supporting an employee related to his work and his condition.

III. RESEARCH METHODS

3.1. Variable Operational Definition
1) Competence
   Competence is the ability that employees have in completing work in accordance with the standards set by the company, with the following indicators: motives, traits, self-concept, knowledge and skills.

2) Job satisfaction
   Job satisfaction is an employee's response to the work achieved. Job satisfaction indicators used in this study are as follows: supportive working conditions, proper salary or wages and supportive co-workers.

3) Employee performance
   Employee performance is a result of work that has been achieved by an employee in carrying out a job that has been given to him to achieve the goals of the organization, which is measured by the following indicators: quantity, quality and timeliness.

4) Organizational effectiveness
   Organizational effectiveness is the success of cooperatives in an effort to achieve the goals that have been set, which is measured by the following indicators: clarity of goals to be achieved, clarity of strategy for achieving goals, careful planning, preparation of appropriate programs, availability of work facilities and infrastructure, and monitoring systems and educational control.

3.2. Population and Sample
   The population in this study were the employees of the Al-Hikam Student Boarding School Cooperative Malang, amounting to 44 employees. Samples were taken using a census so that 44 employees became the object of research.

3.3. Data analysis technique
   The analysis technique in this research is as follows: descriptive analysis and path analysis. Descriptive analysis used is tabulation of data which is then carried out with frequency distribution of research variables from questionnaires that have been filled out by respondents. Path analysis is a model similar to multiple regression models. On path analysis (on the beta values that make up the structure.

IV. RESULTS AND DISCUSSION

4.1. Results
   The results of the path analysis of each variable are presented in the following figure.
The Effect of Competence and Job Satisfaction on Employee Performance and Its Impact on Organizational Effectiveness

Hypothesis Test

a. **Hypothesis Test 1**
   The competency beta coefficient value is 0.651 and the t value is 5.994 and the p value is 0.000 smaller than $p = 0.05$ ($\alpha = 5\%$), which means that competence has a significant effect on employee performance. The beta coefficient of job satisfaction is 0.246 and the t-value is 2.269 and the p-value is 0.029, which is smaller than $p = 0.05$ ($\alpha = 5\%$), which means that job satisfaction has a significant effect on employee performance. Thus the first hypothesis which states that competence and job satisfaction have a significant effect on employee performance statistically tested.

b. **Hypothesis Test 2**
   The competency beta coefficient value is 0.254 and the t value is 2.111 and the p value is 0.041 which is smaller than $p = 0.05$ ($\alpha = 5\%$), which means that competence has a significant effect on organizational effectiveness. The beta coefficient of job satisfaction is 0.482 and the t value is 5.161 and the p value is 0.000 which is smaller than $p = 0.05$ ($\alpha = 5\%$), which means that job satisfaction has a significant effect on organizational effectiveness. Thus the second hypothesis which states that competence and job satisfaction have a significant effect on organizational effectiveness statistically tested.

c. **Hypothesis Test 3**
   The beta coefficient of employee performance is 0.280 and the t-value is 2.210 and the p-value is 0.033 which is smaller than $p = 0.05$ ($\alpha = 5\%$), which means that employee performance has a significant effect on organizational effectiveness, so the third hypothesis states that employee performance has a significant effect on organizational effectiveness statistically tested.

d. **Hypothesis Test 4**
   The results of the analysis show that employee performance is an intervening variable that can mediate the competence variable, because the total influence value (0.436) is greater than the direct effect (0.254). Employee performance is an intervening variable that can mediate job satisfaction variables on organizational effectiveness, because the total influence value (0.551) is greater than the direct effect (0.482). Thus the fourth hypothesis which states competence and job satisfaction have a significant effect on organizational effectiveness through employee performance statistically tested.

4.2. Discussion

4.2.1. **The Effect of Competence and Job Satisfaction on Employee Performance**
   Competence affects employee performance, which means that the higher the competence possessed by employees, the impact on improving employee performance. On the other hand, the lower the competency possessed by the employee, the lower the performance. The competency indicator that gives the biggest contribution to improving performance is self-concept, which is reflected in understanding what is the main task and skills reflected in the skills possessed, employees are able to work together with colleagues. This shows that employees will be competent if employees are always looking for information in completing tasks and there is support from employees in the form of facilities that can support knowledge in completing work. As opinion Competence according to Wibowo (2012: 86) is an ability to do or carry out a job or task that is based on skills and knowledge and is supported by the work attitude demanded by the job. The results of this study
support Saputra et al. (2016) and Manik and Syafrina (2018) found that competence has an effect on performance. However, the results of this study do not support Dhermawan et al. (2012) who stated that competence had no effect on performance.

Job satisfaction has a significant effect on employee performance, which means the higher the level of employee job satisfaction can improve employee performance. As the opinion of Kasmir (2016) which states that one of the factors that affect performance is job satisfaction. The job satisfaction indicator that gives the biggest contribution to improving employee performance is working conditions, which is reflected in continuing to have a passion for work even though the workload increases. Job satisfaction is a form of feeling happy about what he has done, but job satisfaction is subjective. Every employee who works expects to get satisfaction from his place of work. Basically job satisfaction is an individual thing because each employee will have a different level of satisfaction in accordance with the values that apply to each employee. The more aspects of the job that are in accordance with the wishes of the employee, the higher the level of satisfaction felt. The nature and magnitude of satisfaction and performance depends on the contingency of rewards that have been arranged and determined by the leadership of the organization. As the view of Hasibuan (2008:202) which states job satisfaction as an emotional attitude that is pleasant and loves his work. This attitude is reflected by work morale, discipline and work performance. Satisfaction from one individual to another tends to be different, because each individual has its own satisfaction criteria in measuring the level of life satisfaction, but employee satisfaction at work can be seen from how employees perform. Job satisfaction is enjoyed at work, outside of work, and a combination of inside and outside work. Satisfied employees will encourage employees to perform better. Have a harmonious relationship with other employees and superiors. The results of this study support Kertiasi et al. (2018) and Damayanti et al. (2018) which states that job satisfaction affects performance. However, it does not support the results of research by Irawan (2010) which found that job satisfaction has no effect on employee performance.

4.2.2. The Effect of Competence and Job Satisfaction on Organizational Effectiveness

Competence affects organizational effectiveness, which means that organizational effectiveness can be increased if employees have high competence in completing work. Competence, in principle, is able to increase knowledge and shape the personality of employees to do work more precisely and quickly. Thus, it can be said that the higher the level of employee competence, the higher the effectiveness of the cooperative in achieving its goals. Competence is indispensable in every human resource process, the more competencies employees have, the higher the effectiveness of the organization. As opinion Edison et al. (2017:141) which states that competence is the underlying characteristic of a person who produces effective work and/or superior performance. Competence is a fundamental characteristic of an individual, namely the causes associated with reference criteria regarding effective performance. These findings indicate that employees who have competence are able to obtain and develop the tasks they carry, so that the level of employee performance is getting better. Competence plays an important role in supporting the smooth activities of employees in the company. Therefore, employee competence needs to be considered and fostered so that employee performance can be maintained at high quality and quantity. The actions taken by superiors in order to influence the high competence of employees are to create new creations that can provide challenges to employees. As for employees, the challenges of work will encourage them to work seriously in order to obtain maximum results. The results of this study support The results of research by Zaini and Agustina (2019), Jafar and Zulqadri (2020) prove that competence has an effect on organizational effectiveness.

Job satisfaction has an effect on organizational effectiveness, which means that the higher the level of employee job satisfaction can increase organizational effectiveness. Effectiveness shows the success of the cooperative in terms of whether or not the targets have been achieved. If the results of the activity are closer to the target, it means the higher the effectiveness. As the opinion of Siagian (2010) which states that organizational effectiveness is the use of resources, facilities, and infrastructure in a certain amount that is consciously determined beforehand to produce a number of goods for the services it carries out. Employees who are satisfied at work always come on time, meaning that the employee respects the work and is responsible for the tasks that must be done. Happy to do work. Do not complain about tasks and work that is always able to accept new and difficult jobs with grace. In this case the Al-Hikam Student Islamic Boarding School Cooperative Malang has been effective, because the cooperative's target has been achieved such as an increased sales turnover. The results of this study support Daliman (2016), Harri (2019) which prove that job satisfaction has an effect on organizational effectiveness.

4.2.3. The Effect of Employee Performance on Organizational Effectiveness

Employee performance has a significant effect on organizational effectiveness, which means the higher the level of employee performance can increase organizational effectiveness. The employee performance indicator that gives the biggest contribution to increasing organizational effectiveness is quality as reflected in
being able to complete work neatly. Employees who have high performance always have the desire to provide the best results both in terms of quality, quantity and timeliness for the organization, so as to increase organizational effectiveness. As opinion Mangkunegara (2017:9) which states that performance is the result of work in quality and quantity that can be achieved by an employee in carrying out tasks in accordance with their responsibilities, given to him. Basically, employee performance is an individual thing because each employee will have a different level of performance in accordance with the values that apply to each employee. The more aspects in the work that are in accordance with the wishes of the employee, the higher the level of employee performance. The results of this study support Fernanda (2015), Soggor and Suryana (2019) which state that employee performance affects organizational effectiveness.

4.2.4. The Effect of Competence and Job Satisfaction on Organizational Effectiveness through Employee Performance

Employee performance is able to mediate the influence of competence on organizational effectiveness, which means that employee competencies can increase organizational effectiveness, if employees have good performance in completing their duties and authorities. The employee's evaluation of the work with his condition is closely related to the employee's performance. As the opinion of Kasmir (2016) which states that one of the factors that improve employee performance is ability. If employees have good strengths and abilities, then a task can be guaranteed to be completed, namely precisely and in accordance with expectations, so that it has an impact on increasing efficiency, organizational activity. The findings of this study indicate that the competencies that are reflected in employees' understanding of what are the main tasks and skills are reflected in the skills they have, employees are able to work together with colleagues, can improve employee performance as reflected in employees can complete work neatly, so that it has an impact on increasing organizational effectiveness. Reflected in the cooperative has formulated a program plan carefully. The results of this study support Fernanda (2015), Soggor and Suryana (2019) which state that employee performance affects organizational effectiveness.

Employee performance is able to mediate the effect of job satisfaction on organizational effectiveness, which means that organizational effectiveness can be increased if employees have good performance in terms of quality, quantity and timeliness and employees are satisfied with their work. Employee performance is important for the cooperative, if the employee is satisfied with the work provided by the cooperative, the employee will feel cared for by the cooperative. As research results Kertias et al. (2018) and Damayanti et al. (2018) which states that job satisfaction affects performance. However, it does not support the results of research by Irawan (2010) which found that job satisfaction has no effect on employee performance. Basically, employees at work will feel comfortable in the organization if they get satisfaction at work. Organizational effectiveness will be influenced by the level of employee performance owned. When employees feel satisfied with the work done, then the employee will work optimally in completing his work, even doing some things that may be outside his duties.

V. CONCLUSIONS AND SUGGESTIONS

5.1. Conclusion

Based on the results of research and discussion conducted, the following conclusions can be drawn:

1) Competence is formed by motives, traits, self-concept, knowledge and skills. The main thing that can improve employee competence is self-concept, which is reflected in understanding what is the main task and skills reflected in the skills possessed, employees are able to work together with colleagues. Job satisfaction is shaped by supportive working conditions, decent pay or wages and supportive coworkers. The main thing in increasing job satisfaction is supportive co-workers as reflected in the presence of co-workers who can complete work on time. Performance is shaped by quantity, quality, and timeliness. The main thing that can improve employee performance is quality as reflected in being able to complete work neatly.

2) Competence and job satisfaction affect employee performance, which means that employees who are highly competent and supported by employees are satisfied with the work that is their duty and responsibility to improve employee performance.

3) Competence and job satisfaction affect the effectiveness of the organization. This means that organizational effectiveness can be built through high competence and employees feel satisfied at work.

4) Employee performance affects the effectiveness of the organization, which means that the better the employee's performance in completing the work can increase the effectiveness of the organization.

5) Organizational effectiveness mediates the effect of competence and job satisfaction on organizational effectiveness. This means that organizational effectiveness can be increased if employees have high competence and employees are satisfied because their colleagues can complete the work on time.

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2.5. Suggestion

1) Theoretically
   This research enriches the conception of understanding of human resource management, it is necessary to develop a model and conception of organizational effectiveness with an employee performance approach.

2) Practically
   a. For researchers that by conducting this research can be known competence and job satisfaction on organizational effectiveness through employee performance.
   b. For the Al-Hikam Islamic Boarding School Student Cooperative Malang, this research can improve employee performance which has an impact on increasing organizational effectiveness.
   c. For the next researcher, it needs a wider development with variables that are not only competence, job satisfaction that can affect organizational effectiveness, for example leadership and organizational culture.

REFERENCES


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