

**THE HUMAN RESOURCE PRACTICES IN EMPLOYEE PERFORMANCE:
A SIGNIFICANT MANAGERIAL ISSUE**

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Abstract: *Professional Human Resource Management is needed starting from planning to achieving implementation to improve employee performance. The purpose of this study was to determine the extent of the influence of Emotional Quotient, individual characteristics, and communication on performance and to determine which of the three variables had the most significant effect. This research was conducted at the Tourism Office of Badung Regency, Bali Province, using quantitative methods. The sampling technique used is saturated sampling or census, in which all members of the population are used as samples with a total of 108 respondents. The data analysis technique used is multiple linear regression analysis using the smart PLS program. The results of the research show that each variable, namely Emotional Quotient, Individual Characteristics, and Communication has a positive and significant influence on employee performance. This study also indicates that Communication has the highest influence value with a path coefficient value of 0.462. The coefficient of determination (R^2) of = 0.766 can be interpreted that the variables of Emotional Quotient, Individual Characteristics, and communication in influencing employee performance are 76.6%. The remaining 23.4% is explained by other variables not described in the model.*

Keywords: *Communication, Emotional Quotient, Employee Performance, Individual Characteristics.*

1. Introduction

The Human Resource Management today cannot but be an obligation for managers of organizations, institutions, or government agencies. The tourism and culture office of Badung Regency is one of the agencies where employees who are also Civil Servants (PNS) are already the main elements of the Human Resources of the state apparatus who have a very decisive role in supporting the success of government administration and development. Along with the development of the business world, a Human Resource who is also a Civil Servant is often appointed as the main factor in failing to achieve development goals or targets.

Emotional Quotient is how to use emotions effectively to achieve goals, build relationships and achieve success (Aydognus, 2016). With Emotional Quotient, it can be expected to motivate psychological conditions to become mature employees. Manifested in the form of the ability to feel, understand and effectively apply the resources and emotional sensitivity as a source of energy, information, connection, and human influence. Some of these surveys show that the

success of a business is not determined by technical ability but rather by the essential knowledge to learn, communicate, adapt, creativity, self-confidence, and mental resilience.

Pastor (2014) said that the role of Intelligence Quotient (IQ) in the success of the world of work only reached the second position after Emotional Quotient (EQ) in determining the achievement of peak performance in one's career. Pujiwati dan Susanty (2015) states that leadership development at every level of the organization requires an Emotional Quotient (EQ) to improve their abilities as leaders who can add and improve performance for themselves and the organization they lead. In terms of communication between employees, good communication competence will be able to obtain and develop the tasks they carry out so that the level of performance becomes better. And vice versa, if there is poor communication due to not having a good relationship, authoritarian or indifferent attitude, differences of opinion or prolonged conflict, and so on, it can impact work results that are not optimal.

Likewise, improving the performance of the Badung Regency Tourism and Culture Office employees is one of the formal organizations within the government apparatus that makes the most significant contribution to development, especially in the Badung Regency. The designed work programs aim to promote and protect the tourism sector, a critical state asset, so that optimal performance is expected to be realized from the implementation of Human Resources.

Performance is a tool to measure employees' contribution to the official organization, develop the employees themselves, and encourage changes for the better. What is often encountered is the emotional involvement of employees (lack of dynamic control) when there are conflicts that occur in the organization. Conflicts can involve work problems or interpersonal problems. Whereas emotionally intelligent people will face adversity steadfastly and not be carried away by strong emotions, they tend to meet all things instead of running and avoiding.

Employee performance in this organization is also influenced by work motivation which is the effect of individual interactions. Motivated individuals have high loyalty to their organization. From these individual characteristics, it can be seen how much influence it has on performance. In terms of communication at the Tourism and Culture Office of Badung Regency, the very dynamic communication process often causes problems such as misunderstandings, differences in perceptions of task execution, poor interaction between employees, and so on, which impact less than optimal performance.

When Organizational members possess emotional Quotient, individual character, and communication, it is expected that there will be increased cooperation and innovation, increasing organizational productivity and profits. Starting from this background, the researcher is interested in analyzing the problem by taking the research title "The Human Resource Practices in Employee Performance: Significant Managerial Issue."

2. Literature Review

2.1 Emotional Quotient (EQ)

Emotions are not only centered on the individual but extended into the organization. Aydogmus (2016) states that properly regulated emotions can promote trust, loyalty, and commitment and drive many of the highest productivity gains, innovations, and achievements of individuals, teams, and organizations.

Shahhosseini et al. (2012) define Emotional Quotient as the concept of the ability to recognize and understand one's feelings, reach and generate feelings to help thoughts, understand

one's feelings and meanings for other people's emotions, control feelings more deeply to help emotional development and understand one's intellectual abilities. Husain (2013) states that Emotional Quotient is the ability to feel, understand and actively apply the power and sensitivity of emotions as a source of human energy, information, connection, and influence.

Aydogmus (2016) gives the idea that Emotional Quotient is the ability to use emotions effectively in achieving goals, building relationships, productivity, and achieving success. Pastor (2014) states that Emotional Quotient is a set of non-cognitive skills, abilities, and competencies that affect personal skills to cope with environmental demands and pressures.

2.2 Individual Characteristics

Individual characteristics are the characteristics of a person's personality (individual characteristics). Individual characteristics are the characteristics possessed by each individual. According to Stoner (2006), individual characteristics are the interests, attitudes, and needs to be brought by a person into the work situation. People differ in these characteristics, and therefore their work motivation will be different.

Each individual has different interests, attitudes, and needs in the work environment. This means that the motivation inherent in each of them is certainly different. However, among the differences in attitudes, interests, and needs, there is a standard view in general that they want the organization to work comfortably and be able to meet the demands of organizational performance.

2.3 Communication

Husain (2013) thinks that "*Communication transfers information and understanding from one person to another.*" According to Pastor (2014), communication can be interpreted as transferring information, ideas, and understanding from one person to another in the hope that the other person can solve it according to the intended purpose. From the various definitions above, it can be emphasized that, in essence, communication is the delivery of information between two or more people. Communication is a necessary process in organizational management.

2.4 Employee Performance

Following Pujiwati dan Susanty (2015), The two main concepts of measuring employee performance are efficiency and effectiveness. Efficiency is the ability to get a job done correctly. This efficiency is a mathematical concept in the form of a ratio between output and input. Shahhosseini et al. (2012), employee performance is the result of the function of a particular job or activity during a specific period, while according to (Robbins & Timothy A. Judge, 2015), Performance is a measure that includes effectiveness in achieving goals and efficiency which is the ratio of practical outputs to inputs needed to achieve those goals.

Research Hypothesis

a. The relationship between Emotional Quotient and Employee Performance .

The emotional Quotient is a dimension that has a significant influence on the employee performance of an organization. With Emotional Quotient, it can be expected to motivate psychological conditions to become mature employees. Manifested in the form of the ability

to feel, understand, and effectively apply the resources and emotional sensitivity as a source of energy, information, connections, and human influence to achieve organizational goals. From this opinion, the following hypothesis can be formulated:

H₁: *Emotional Quotient has a positive and significant effect on Employee Performance*

b. The relationship between Individual Characteristics with Employee Performance.

Individual Characteristics by Stoner (2006) are the desires (interests), attitudes, and needs of a person brought into the work situation. This means that the motivation inherent in each of them is certainly different. From these individual characteristics, it can be seen the general view they want from the organization to work comfortably and meet the demands of organizational performance. So the second hypothesis in this study is:

H₂: *Individual Characteristics have a positive and significant impact on employee performance*

c. The relationship between Communication and Employee Performance.

Communication is essential in carrying out functions within the organization because it can provide channels for managerial processes, namely planning, organizing, leading, and controlling (Stoner, 2006). So that effective communication in the relationship structure, authority, and work design of the organization, will affect the performance of human resources. So the third hypothesis in this study is:

H₃: *Communication has a positive and significant effect on Employee Performance*

3. Research Method

This research is a quantitative research with primary data sources using questionnaires. Respondents in this study amounted to 108 Civil Servants (PNS) at the Badung Regency Tourism Office. This study uses Structural Equation Modeling (SEM) to test the structural model developed based on the literature review. The Partial Least Square (PLS) approach is used to evaluate the measurement instruments. Data analysis was carried out using the smart PLS program. The PLS approach was chosen because of the consideration that this method is more suitable for research that is still in the early stages of developing a research model (Joseph F. Hair et al., 2016).

4. Results and Discussion

4.1. Respondent Description

This Respondents in this study were all Civil Servants (PNS) at the Badung Regency Tourism Office. The descriptions of respondents in this study are as follows:

Table 1
Respondent Description

| Characteristic | Group | Total | % |
|----------------|--------|-------|-------|
| Gender | Male | 79 | 73,30 |
| | Female | 29 | 26,70 |

| Characteristic | Group | Total | % |
|----------------|-------------|-------|-------|
| Age | < 25 Year | 17 | 15,70 |
| | 25-30 Year | 19 | 17,60 |
| | 31-35 Year | 26 | 24,10 |
| | 36-40 Year | 14 | 12,90 |
| | 41-45 Tahun | 13 | 12,00 |
| | 46-50 Year | 11 | 10,20 |
| | >= 51 Year | 8 | 7,50 |
| length of work | < 1 Year | 8 | 7,50 |
| | 1-5 Year | 39 | 36,10 |
| | 6-10 Year | 36 | 33,30 |
| | 11-15 Year | 14 | 12,90 |
| | 16-20 Year | 9 | 8,30 |
| | >= 21 Year | 2 | 1,90 |

Source: Output Smart PLS 3.2 primary data, 2021

4.2. Analysis of the Measurement Model (Outer Model)

a. The Validity Test

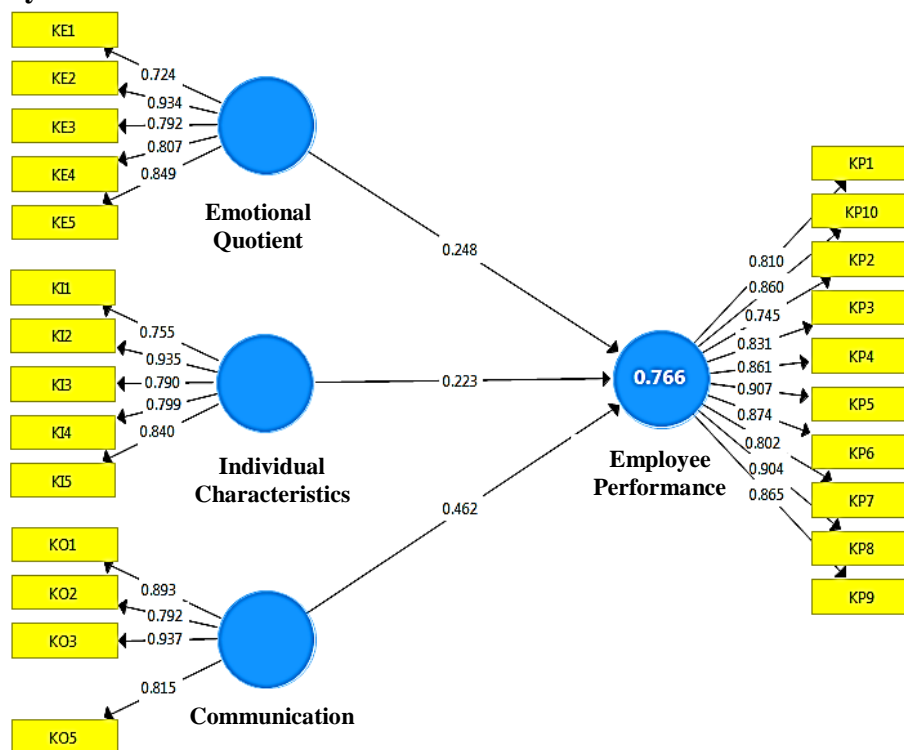


Fig 1. Measurement Model (PLS Algorithm)

In this study, there are three independent variables and one dependent variable. Convergent validity is obtained if two different instruments measuring the same construct have a high correlation. An indicator is considered valid if it correlates value / Load factor value ≥ 0.7 (Ghozali, 2015), (Fornell & Larcker, 1981), (Joe F. Hair et al., 2011), (J. Hair et al., 2014). As seen in figure 1 above, from a total of 25 indicators, there is one indicator that is declared

invalid, including the indicator of the Communication Variable indicator 4 (CO4), where the loading factor value is below the criteria, but 24 other indicators are declared valid and can measure the variables they form. Thus, the high degree of convergent validity in these four (4) reflective constructs has been confirmed.

b. Reliability Test

The value of the composite reliability expresses the measurement of construct reliability. The construct is declared reliable if the combined reliability value is above 0.70 (Joseph F Hair et al., 2014), (Joseph F. Hair et al., 2016). From the following table, we can prove the composite reliability value of the reflective construction has a decent consistency in terms of reliability values as shown in the table below:

Table 2
 Construct Validity and Reliability

| | Cronbach's Alpha | rho_A | Composite Reliability | Average Variance Extracted (AVE) |
|-----------------------------------|------------------|--------------|-----------------------|----------------------------------|
| Emotional Quotient | 0,880 | 0,892 | 0,913 | 0,679 |
| Individual Characteristics | 0,882 | 0,890 | 0,914 | 0,682 |
| Communication | 0,882 | 0,893 | 0,919 | 0,741 |
| Employee Performance | 0,956 | 0,957 | 0,962 | 0,718 |

Source: Smart PLS 3.2 from primary data, 2021

4.3. Analysis of the Structural Model (Inner Model)

a. The Hypothesis Test

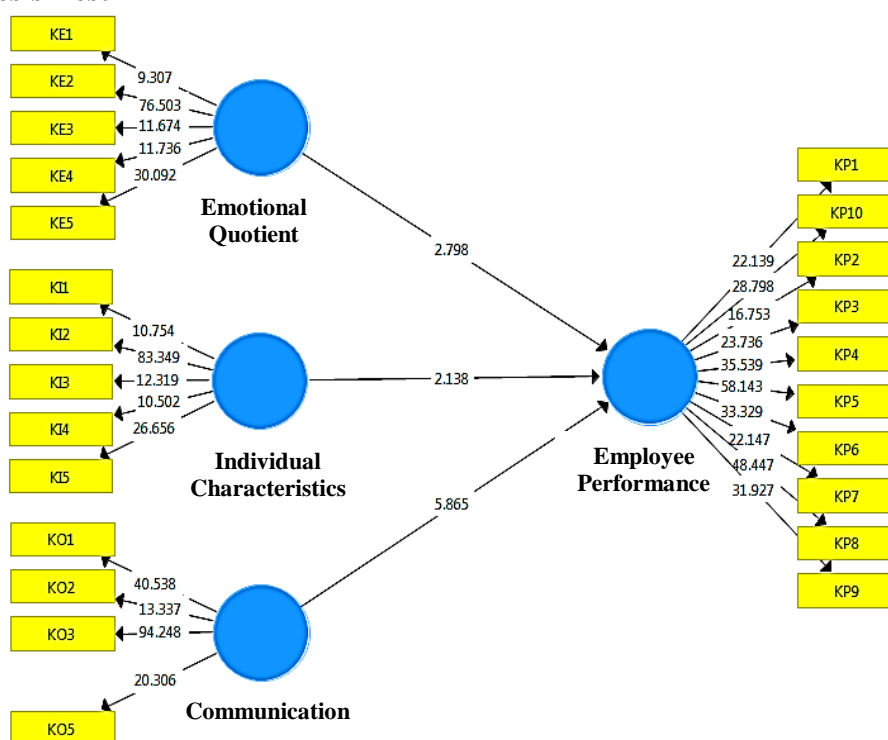


Fig 2. Structural Model (Bootstrapping)

As for the statistical significance of the path coefficients, the "Bootstrapping Options" in Smart PLS 3.2 allows us to derive and calculate t-values. The bootstrap option is another nonparametric approach to determining the accuracy of PLS estimates (J. Hair et al., 2014). After doing Bootstrapping, the Structural evaluation model can be seen in figure 2.

Based on the original sample value and t-statistics, the path coefficient values can be seen in Table 3 below:

Table 3.
Path Coefficient

| | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (O/STDEV) | P Values |
|--|---------------------|-----------------|----------------------------|--------------------------|--------------|
| Emotional Quotient -> Employee Performance | 0,248 | 0,259 | 0,089 | 2,798 | 0,005 |
| Individual Characteristics -> Employee Performance | 0,223 | 0,212 | 0,104 | 2,138 | 0,033 |
| Communication -> Employee Performance | 0,462 | 0,465 | 0,079 | 5,865 | 0,000 |

Source: Smart PLS 3.2 from primary data, 2021

1. Result Test of influence of Emotional Quotient on Employee Performance

The results of testing the first hypothesis indicate that the relationship between Emotional Quotient and employee performance shows a positive path coefficient value of 0.248 with a t-value of 2.798 which means that it is greater than the t-table value of 2.58 ($\alpha = 0.01$; two-sided test), and a P-value of 0.005, which is less than 0.05. These results state that Emotional Quotient has a positive and significant influence on employee performance. This is in accordance with the first hypothesis so that it can be said that **H₁** is accepted.

2. Result Test of influence Individual Characteristics on Employee Performance

The results of testing the second hypothesis indicate that the relationship between individual characteristics and employee performance is significant with a t-statistic of 2.138 $>$ 1.96 ($\alpha = 0.05$; two-sided test). The original sample estimate value or path coefficient is positive, which is 0.223, and the P-Value is 0.033, which is smaller than 0.05. These results state that individual characteristics have a positive and significant influence on employee performance. This is in accordance with the first hypothesis so that it can be said that **H₂** is accepted.

3. Result Test of influence Communication on Employee Performance

The results of testing the third hypothesis indicate that the relationship between communication and employee performance is significant with a t-statistic of 5.865, which is greater than t table 2.58 ($\alpha = 0.01$; two-sided test). The original sample estimate value is positive, which is 0.462, and the P-Value is 0.000, which is smaller than 0.05. These results state that communication has a positive and significant influence on employee performance. This is in accordance with the first hypothesis so that it can be said that **H₃** is accepted.

5. Conclusion

The results of this study state that all factors that have a relationship with employee performance are pretty good and have a significant and positive effect on the performance of the employees of the Department of Tourism and Culture of Badung Regency, Bali Province. This means that the higher the level of Emotional Intelligence, Individual Characteristics, and Communication on the employees of the Department of Tourism and Culture of Badung Regency, Bali Province, the higher the employee's performance. The exciting thing in this study was also found that there was a need for improvement in individual characteristics based on the lowest contribution value to performance with a T statistic value of 2.138. The analysis results also show that the communication variable gives the most significant influence on employee performance with a T statistic value of 5, 865. This research is in the line with a study conducted by (Pujiwati & Susanty, 2015) and (Aydogmus, 2016).

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