The Effect of Competence, Organizational Culture, and Emotional Intelligence on Employee Performance on Lembaga Perkreditan Desa (LPD) in Denpasar Selatan

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Abstract

The purpose of this study was to determine the effect, competence, organizational culture and emotional intelligence on employee performance at LPD in South Denpasar. Quantitative methods/approaches are used in this study. The number of samples used were 87 LPD employees in South Denpasar with the saturated sampling method, namely by using all the population as samples. Collecting data using a questionnaire. The data analysis technique used multiple linear regression. Then analyzed using SPSS 23 for windows. The results showed that all the proposed research hypotheses were accepted. The conclusion in this study is that competence has a positive and significant effect on employee performance. Organizational culture has a positive and significant effect on employee performance. Emotional intelligence has a positive and significant effect on employee performance. Efforts are made to improve performance, namely providing training and opportunities to add insight to employees and develop work creativity in accordance with their fields.

Keywords: Competence, Organizational Culture Emotional, Intelligence Employee Performance

INTRODUCTION

Bali as of 2020 has 1,435 units of Lembaga Perkreditan Desa (LPD) according to data published by LPLPD, while the number that is categorized as healthy is 748 units, quite healthy 280 units, less healthy as many as 171 units, unhealthy 98 units and 176 not operating. Meanwhile, in South Denpasar, there are 11 LPD units, which are categorized as healthy as many as 7 units, 1 unit healthy enough, 1 unit unhealthy and 2 units unhealthy. An investigation should be carried out on LPDs that are not yet in the healthy category, so that LPDs as microfinance institutions can be the pride of the Indigenous Village community in Bali and can develop well and can keep up with the developments of globalization which continues to grow rapidly.

One of the elements in an LPD that has an important role is human resources, where the success of an LPD depends on the roles played by
the people in it. Human resource management is a process of dealing with various problems within the scope of employees, employees, laborers, managers and other workers to be able to support the activities of the organization or company in order to achieve predetermined goals (Abdullah, 2017). Performance is the result or level of success of a person as a whole during a certain period in carrying out tasks compared to various possibilities, such as work standards, targets, or targets or criteria that have been previously agreed upon (Astuti dan Prayogi, 2018) with sacrifices that have been made smaller in ratio than achieved.

LPDs take part in advancing the economy and accommodating workers and creating jobs. LPD should always strive to improve employee performance and minimize the percentage of employees who perform below standard. Simanjuntak (2019) said that one of the factors that affect employee performance is competence. Competence is a person's basic characteristics that indicate ways of thinking, behaving and acting as well as drawing conclusions that can be carried out and maintained by someone at a certain time. At LPDs in South Denpasar, there are still problems related to competence, one of which can be seen from the lack of LPDs conducting better training by following the developments of the times and technology. By conducting training, LPD can have human resources who are more competent in carrying out their responsibilities and have better employee performance so that they can improve performance that is more in line with the objectives of the LPD itself. Supiyanto (2015) said that competence had no significant effect on employee performance. This is in line with the results of Dusauw's research (2019) and Ainanur and Tirtayasa (2018) which suggests that competence has a significant influence on employee performance. The proposed hypothesis is, therefore, as follows:

H1: Competence has a positive and significant effect on employee performance at LPD in South Denpasar.

In addition to competence, organizational culture is also one of the factors that affect employee performance (Suputro, et al., 2018). A strong culture in the organization provides encouragement to its members to act and behave in accordance with the expectations of the organization. Suputro's research, et al. (2018) said that organizational culture in an organization is usually associated with values, norms, attitudes, and work ethics that are shared by every component of the organization, this element is the basis for monitoring employee behavior, the way they think, cooperate and interact with employees. In several LPDs in South Denpasar, there were problems where there was still a lack of support, participation and team orientation within the scope of the organization. It can be seen from the lack of employees in doing good cooperation and effective communication in order to achieve better goals to improve employee performance. Wahyudi (2019) said that organizational culture partially has a positive but not significant effect on employee performance. Eka (2019) dan Muis (2018) which says that there is a positive influence between organizational culture on employee performance. The proposed hypothesis is, therefore, as follows:

H2: Organizational culture has a positive and significant effect on employee performance at LPD in South Denpasar.

In addition to the two factors above, Ramadhani (2019) said that one of the factors that can affect employee performance is emotional intelligence. Dewi (2018) defines a person's ability to recognize one's own feelings and those of others, the ability to adapt to different situations and conditions and the ability to control or master one's own or other people's emotions in certain situations and conditions and be able to control their reactions and behavior. LPD in South Denpasar requires that its employees behave in a positive manner and can always manage the situation of their hearts and minds so that they can serve the community with a smile and a happy heart. The decrease in employee performance caused by the weak emotional intelligence possessed by employees at several LPDs in North Denpasar, namely there are still employees who are less able to control emotional intelligence
both self-control, relationship control, self-awareness, motivation, and empathy. It can be seen from the employees who are still unable to adapt to the existing changes and the lack of motivation possessed by employees in achieving their performance. Akimas, H. N., & Bachri, A. A. (2017) said that emotional intelligence had no significant effect on employee performance. Mulayasari (2018) and Ratnasari, et., al., (2018) states that emotional intelligence has a positive and significant effect on employee performance. The better the emotional intelligence, the higher the employee's performance. The proposed hypothesis is, therefore, as follows:

H3: Emotional intelligence has a positive and significant effect on employee performance at LPD in South Denpasar.

This study uses the Goal-Setting Theory proposed by Locke (1968) as the main theory (grand theory). Goal-Setting Theory is a form of motivation theory. Goal-Setting Theory emphasizes the importance of the relationship between the goals set and the resulting performance. The basic concept is that someone who is able to understand the goals expected by the organization, then that understanding will affect his work behavior. Goal-Setting Theory implies that an individual is committed to a goal (Robbins, 2008). Locke in Kusuma (2013) found that goal-setting has an effect on budget accuracy. Every organization that has set goals that are formulated into a budget plan is easier to achieve its performance targets in accordance with the vision and mission of the organization itself. A budget does not only contain a plan and the nominal amount needed to carry out activities/programs, but also contains the goals the organization wants to achieve. Based on the Goal-Setting Theory approach, the success of employees in managing the budget is the goal to be achieved, while the variables of compensation, work environment and organizational commitment are the determining factors. The higher the determinant, the higher the probability of achieving the goal.

According to Soni (2020) said that competence is an attitude that cannot be separated from the duties of an employee in carrying out his work properly, which is one of the important elements for a service business or service, and even has an influence on the image of a company or organization.

According to Trice and Bayer (2018), organizational culture is increasingly developing in line with the increasing dynamics of the climate within the organization. Thus the concept of organizational culture was developed in various versions, considering that the term culture was borrowed from the scientific disciplines of topology and sociology, in accordance with the meaning of culture which has a national connotation, adding that the implications are so broad that it can be seen from various perspectives. However, in the process of adaptation, most argue that the core of culture is a shared value system. According to Dubrin (2015), career development is a staffing activity that helps employees plan their future careers in the company so that the company and the employees concerned can develop themselves to the maximum.

Emotional intelligence according to Priadi (2018) is defined as an instrument for solving problems with coworkers, making deals with fussy customers, criticizing superiors, completing tasks to completion and in various other challenges that can damage success. Without emotional intelligence, people will not be able to use their cognitive abilities to their fullest potential. Maitrianti (2021) says that emotional intelligence has two skills, namely intrapersonal skills and interpersonal skills. Therefore, emotional intelligence has five elements which are a combination of intrapersonal intelligence and interpersonal intelligence, respectively. The five elements are: self-awareness, self-regulation, motivation, empathy and social. According to Riyadi, (2011), performance is a work achieved by someone in carrying out the tasks assigned to them based on skills, experience, sincerity and time.

According to Rani and Mayasari (2015) performance is an achievement of the success or failure of predetermined organizational goals. Information about organizational performance is a very important thing that is used to evaluate
whether the performance processes carried out by the organization so far have been in line with the expected goals or not.

Based on these phenomena and research gaps, the purpose of this study was to determine the effect of competence, organizational culture and emotional intelligence on employee performance at LPD in South Denpasar.

**METHODS**

The research location is where the author conducts research to obtain the necessary data. The research location was carried out at the LPD in South Denpasar. The research objects are competence (X1), organizational culture (X2), emotional intelligence (X3) and employee performance (Y). The independent variables in this study are competence (X1), organizational culture (X2) and emotional intelligence (X3). The dependent variable in this study is employee performance (Y).

The type of research used in this research is quantitative descriptive research. And the data sources used in this study are primary data and secondary data, namely: Primary data obtained from the research location directly through the interview process and distributing questionnaires to respondents. Secondary data is data that is not obtained from the results of its own collection and processing but is already owned by the LPD in South Denpasar in the form of employee data. The population in this study were all employees of the LPD in South Denpasar, namely 87 people. The number of samples in this study was 87 people, using the saturated sample method, where according to Sugiyono (2017:85) the saturated sampling technique is a sampling technique where all members of the population are used as samples.

This research uses data analysis method in the form of descriptive analysis. According to Sugiyono (2016:147), descriptive statistical analysis is analyzing data by describing or describing the data that has been collected as it is without the intention of making general conclusions and generalizations. Before performing the analysis technique on the data collected, the research instrument is first tested in this case is testing the validity and reliability.

In this study, the classical assumption test was conducted to determine the feasibility of using the regression model. The classical assumption test used consisted of normality test, multicollinearity test and heteroscedasticity test. In an effort to answer the problems in this study, multiple linear regression analysis was used. Regression analysis is basically a study of the dependence of the dependent variable (bound) with one or more independent variables (independent variables), with the aim of estimating and/or predicting the population mean or the value of the dependent variable based on the known value of the independent variable. For regressions where the independent variables consist of two or more, the regression is also called multiple regression. Because the independent variables above have more than two variables, the regression in this study is called multiple regression. Correlation analysis is an analysis used to determine the pattern and strength of the relationship between the independent variable and the dependent variable. The value of the coefficient of determination shows how far the ability of the independent variable to explain the variation of the dependent variable (Ghozali, 2016:95).

In this statistical calculation, the value of 2 used is adjusted 2 because this is one indicator to determine the effect of adding independent variables into a regression equation. The F (simultaneous) test was conducted to test the effect of the independent variables contained in the model on the dependent variable (Y). According to Ghozali (2016: 97), hypothesis testing is done by t-test. This test is used to determine the effect of one independent variable individually on the dependent variable. As for the decision-making criteria, if the significance is <0.05 then the hypothesis is accepted, namely that the independent variable (X) has a significant effect on the dependent variable (Y) and vice versa if it is significant <0.05, then the hypothesis is rejected, namely that the independent variable (X) has no significant effect on the dependent variable. All of the above tests were carried
out using product moment with the help of the Statistical Package for Social Science (SPSS) 23 for windows.

RESULTS

The calculated values in Table 1 show that all of the above values are greater than 0.30. Thus, all research instruments for competence (X1), organizational culture (X2), emotional intelligence (X3) and performance (Y) variables used are valid and then these instruments can be used for further statistical analysis.

Reliability is an index that shows the extent to which a measuring instrument can be trusted or reliable. Therefore, testing the reliability of a measuring instrument is intended to show the extent to which a measuring instrument is reliable or trustworthy by using a Cronbach Alpha value greater than 0.6 then the variable construct can be said to be good.

Based on the SPSS output, the Asymp value is obtained. Sig. (2-tailed) 0.085 which is greater than 0.05. This means that the data has been normally distributed.

Table 1 shows that the tolerance value of competence (X1) is 0.504, organizational culture (X2) is 0.252 and emotional intelligence (X3) is 0.354 and the variance inflation factor (VIF) for the competency variable is 1.985, the organizational culture variable (X2) is 3.985, and the emotional intelligence variable is 2.821 so that all independent variables have a tolerance value of more than 0.1 or the variance inflation factor (VIF) is less than 10, it is concluded that there is no multicollinearity between the independent variables in the regression model.

Based on the resulting graph, it can be seen that the points spread randomly, do not form a certain clear pattern, and are spread both above and below the number 0 on the Y axis. This means that there is no heteroscedasticity in the regression model. Analisis

The results of multiple regression testing to evaluate the effect of competence, organizational culture, emotional intelligence on employee performance are presented in Table 1.

<table>
<thead>
<tr>
<th>Variabel</th>
<th>Unstandardized Coefficients B</th>
<th>Std. Error</th>
<th>Standardized Coefficients β</th>
<th>t</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>12,66</td>
<td>0,1717</td>
<td>73,828</td>
<td>0,000</td>
<td></td>
</tr>
<tr>
<td>Competence (X1)</td>
<td>0</td>
<td>0,021</td>
<td>0,111</td>
<td>6,053</td>
<td>0,000</td>
</tr>
<tr>
<td>Organizational culture (X2)</td>
<td>0,125</td>
<td>0,015</td>
<td>0,598</td>
<td>23,006</td>
<td>0,000</td>
</tr>
<tr>
<td>Emotional intelligence (X3)</td>
<td>0,350</td>
<td>0,015</td>
<td>0,363</td>
<td>16,553</td>
<td>0,000</td>
</tr>
</tbody>
</table>

R 0,893
R Square 0,797
Adj R Square 0,783
F 1930,480
Sig. F 0,000

Source: SPSS, 2021.
This analysis is used to determine the degree of relationship and direction between the variables studied, namely the relationship between the independent variable competence (X1) organizational culture (X2) and emotional intelligence (X3) with the dependent variable performance (Y). Based on the results of SPSS calculations in Table 5.1, a correlation coefficient of R = 0.893 is obtained. Based on the criteria for the strength of the relationship according to Wirawan (2017; 274), the correlation coefficient of 0.893 above lies between 0.8 - 1.0 which means there is a very high correlation, this means that the influence between competence, organizational culture and emotional intelligence with employee performance is very high.

Based on the results of data processing, the calculated F value is 1930.480 and the sig value is 0.000 <0.05, this means that HO is rejected and Ha is accepted. This means that at the level of = 5% simultaneously competence (X1), organizational culture (X2) and emotional intelligence (X3) have a significant effect on performance (Y).

DISCUSSION

Based on the results of the study, the value of 1 was 0.350 and the value of sig was 0.00 <0.05, so that HO was rejected and Ha was accepted. This means that competence has a significant positive effect on performance. In this study, competence was measured using indicators of knowledge, skills and attitudes. Based on the validity and reliability testing, it is proven to be able to represent the competence variable. The competency variable in this study is proven to have an impact on increasing employee performance, which means that an increase in the competency variable will increase employee performance. The results of this study are in line with research conducted by Irma Mulyasari (2018) that competence has a positive and significant effect on employee performance.

Based on the results of the study, the value of 2 was 0.350 and the sig value was 0.000 <0.05, so that HO was rejected and Ha was accepted. This means that organizational culture (X2) has a significant positive effect on performance (Y). Organizational culture in this study was measured using self-awareness, aggressiveness, personality, performance, team orientation, proven to affect employee performance, the results of the study indicate that the higher the organizational culture, the higher the performance. On the other hand, the lower the organizational culture, the lower the performance. The results of this study are in line with those conducted by Saputro (2018) which shows that organizational culture has a positive effect on employee performance.

Based on the results of the study, the value of 3 was 0.254 and the sig value was 0.000 <0.05 so that HO was rejected and Ha was accepted. This means that emotional intelligence (X3) has a significant positive effect on performance (Y). Emotional intelligence in this study, measured using indicators of self-intelligence, self-control, motivation, empathy, social skills, is proven to affect employee performance. The results of the study indicate that the higher the emotional intelligence, the higher the performance. On the other hand, the lower the emotional intelligence, the lower the employee's performance. This is in line with the results of Widodo's (2019) research which shows that emotional intelligence has a positive and significant effect on employee performance.

CONCLUSION

Based on the results of the analysis and discussion of the influence of competence, organizational culture, emotional intelligence on the performance of LPD employees in South Denpasar, the following conclusions can be drawn, the competence variable has a positive and significant effect on employee performance and the hypothesis is proven true. This means that the higher the competence, the higher the employee's performance. Organizational culture variable has a positive and significant effect on employee performance and the hypothesis is proven true. This means that the higher the organizational culture, the higher the employee's performance. The variable of emotional intelligence has a positive and significant effect on employee performance and the hypothesis...
is proven true. This means that the higher the emotional intelligence, the higher the employee's performance.

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REFERENCES


