# Performance Improvement Strategy for PPKS Staff Through The Development Of Employees' Engagement.

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ABSTRACT:- Employee performance is an influential factor for companies in achieving corporate goals. The employee's performance is influenced by several factors, one of which is employee engagement. This study aims to identify employee performance improvement strategies through the development of employee engagement and how much the influence of employee engagement on employee performance at PPKS simultaneously or partially. This research is quantitative. Sample number is 78 employees using purposive sampling technique. The analysis technique uses multiple linear regression analysis with SPSS test version 22.0. The results of the hypothesis testing simultaneously found that Leadership, Achievement, Camaraderie, and Equity simultaneously affect the employees' performance. Partial test results, Leadership, Achievement, and Equity have a significant partial effect on employee performance, and Camaraderie did not significantly affect the employees' performance. Strategies for improving employee performance with Leadership, companies should intensify two-way communication between employees and leaders. Relating to Achievement, companies need to care about employee career development by building career paths and succession planning. Relating to Camaraderie, it is done by improving the quality of the annual event involving all employees both team and representative of the unit. Relating to Equity by creating a fairer working environment in providing compensation, more objective performance assessment, and providing regular training on work.

Keywords:- Employees' Performance, Employee Engagement, Leadership, Achievement, Camaraderie, Equity

## I. INTRODUCTION

Oil palm plantations are a strategic sector that contributes substantially to the national economy. With the large scale of oil palm plantations in Indonesia, the procurement of seeds for oil palm plantations is a business sector that also has a big opportunity. One of the opportunities for seed procurement business comes from the replanting of palm oil itself. The Ministry of Agriculture has set a target of replanting oil palm plantations of 185,000 hectares (ha) in 2018.

The Palm Oil Research Center (PPKS) is one of the oil palm seed producers. The institute is engaged in the research and development of oil palm commodities. The Palm Oil Research Center (PPKS) has several business areas covering the procurement and distribution of superior oil palm plant materials, research services, and delivery of research results, as well as analysis of production facilities. As an institution that produces seeds needed by the oil palm plantation industry which currently has enormous demand potential, it requires high-performing Human Resources to get the opportunity to be a revenue for the company, given that there are currently some seed producing companies that become competition for PPKS then there is a tight competition in the seed producer industry.

Although PPKS is a long-established oil palm research institute (since 1916) and is a government-owned institution, this institution faces various problems. Among her less enthusiastic employees when working, often late in the job. Similarly, the quantity of work that often can not meet the company's target. Similarly, in the context of the inefficiency of the use of production factors, there is inefficiency and cost-effectiveness. Employees also mostly work have no initiative to dedicate. Employees generally are not yet willing to nominate personal interests for the benefit of the company and are less desirous of achieving even though they have more potential.

One of the views on this mediocre is seen from the present level of discipline of employees, where there is an average of nearly 10% of the number of employees present in time. The performance conditions of PPKS employees need special attention to improve the performance of the company. Employee performance improvements can occur when there is high employee engagement and cares about their work in order to provide excellent performance results (employee engagement). In this terminology, it also includes trust, loyalty to work and company, and pride in the company and the spirit of cooperation. Companies that have employees

who have a high sense of attachment will make their employees feel at work in the place. Besides, productivity, profitability, growth, and customer satisfaction will also increase.

Conversely, if employees do not own the feeling, then employees will not work efficiently, have a low commitment, common productivity, which all impact on low customer satisfaction, operational margin and net profit margin. This involvement of employees or employee engagement is related to several things, namely leadership, achievement, camaraderie, and equity applying. When these elements are well met, then employees will be happy and willing to release their best performance when working in the company.

Based on the observations made at the Palm Oil Research Center, the problem is the low Human Resources attachment or employees with the company, resulting in various problems related to employee performance. Based on interviews conducted with some of the following issues.

Related to leadership, some employees find that leadership in a particular unit is very dominant and does not give discretion to his subordinates to make decisions. Subordinates, the general status of the staffing level are staff and employees who are newly employed, can only follow orders. In this case, the officer felt losing the excitement of work that eventually got used to working on the order. From interviews, it is also known that most employees feel that the hard work they do will not have a significant impact on their earnings and the appreciation of unit leaders in the form of praise or recognition of achievement or low work is rare.

Concerning the application of equity, employees in general still perceive that career enhancement is more dominant is determined by subjective factors. An employee has a perception that the proximity of a person to a direct employer or employer who determines a career, is a determining factor in the person's career. This perception arises because seeing a colleague who has a career progressively increases rapidly. The specified career here includes scale improvement. This case creates jealousy in employees who are not well known by the boss.

It is related to the relationship of camaraderie, and it is found that in a mediocre team, co-workers do not know each other's strengths or weaknesses. Some of the team members sometimes even show an arrogant attitude towards other team members. This attitude will create gaps inside and between teams and interfere with the work processes that impact on performance.

Problems arising in the field concerning employee engagement are the beginning of the focus of this study. Because the majority of Human Resources from this company are workers whose performance will have a direct impact on the company's performance, the researchers consider this research as important and fascinating to do. By analyzing existing facts, researchers intend to discuss more the effect of employee engagement on employee performance.

## II. LITERATURE REVIEW

## **Employee Engagement**

Engagement is a more recent evolution than research on employee satisfaction and prior commitment (Schiemann, 2011). Furthermore, the concept of engagement is linked to a broad range of business consequences, such as persistent effort, faster performance, higher quality, and decreased turnover. Creating a performance should be driven by clear corporate strategy and goals, leaders and employees should be in a single thought, system and process must be integrated and well-coordinated, and all labor must be inspired to engage and work together with the same goals. Such things can cut off the creation of high-performance companies. According to Kourdi (2009), in many organizations around the world from various industries by looking at two aspects of what the employees wish for the organization/company and their work (achievement, camaraderie, and equity), as well as leadership aspects of the leader in the company. The items included in the survey appraisal component are equity; achievement; camaraderie; and leadership.

## **Equity**

Employees want to be treated fairly with the necessary conditions of work. The fairness he expects as in dealing with others and the minimum personal or social standards. It means the benefits received are considered fair or comparable to the work done and sufficient to meet the personal needs of employees. Also, this fairness can also be compared with other employees both in the same company and in other companies at the same level. Kourdi (2009) explains that equity can be seen from three aspects namely one's physiological, economic, and psychological with the underlying condition of work

## **Achievement**

Employees will be enthusiastic about working if they get good recognition from the company. In this case, employees are keen to gain pride as they can accomplish important and well-done tasks, receive recognition for their performance, and take pride in what the company can achieve. Kourdi (2009) describes that in measuring achievement, several indicators are used to see if employees get appropriate recognition. These

indicators are challenges in the job, the opportunity to grow, the ability to finish the job, the feeling of the importance of work, the reward of performance and the feeling of pride in the company

### Camaraderie

Employees will be enthusiastic about working if they feel the warmth in kinship relationships in their working environment. Warm kinship relationships mean co-operative relationships with co-workers, the sense of belonging to the community, and the feelings of mutual co-existence among colleagues. Sirota Survey measures camaraderie through several aspects such as relationships with co-workers, co-workers in one unit of work, cross-cutting work units and cooperation with other departments within the company as a whole (Kourdi, 2009).

## Leadership

Leadership is one of the elements of organizational success, especially in the direction of change. Experts have their views of meaningful leadership. Robbins & Judge (2008) argues that leadership is a process that includes the motivation of employee organizing motivation, the most effective communication channel selection, and conflict resolution. Leadership is also a process of influencing group activities, with a view to achieving goals and work achievements. In general, it explains that leadership concerns the process of social influence that is the effect of being intentionally executed by one person to another for basic activities and relationships within groups or organizations (Yukl, 1998).

Employees will be enthusiastic about working if they gain equity, achievement (recognition), and camaraderie (kinship relationships). Then employees will also feel the leadership conveyed by the manager or supervisor. From the merger of both (what the employee is looking for and what the leader has done), it will create employee reactions to his work and the company in general. The reaction could be a sense of anger because he did not get what he was looking for, then the boss did not show good leadership. On the contrary, the company hopes that the reactions are enthused or engaged, because employees mean what they need and want, the company through its leaders also gives good leadership so employees will feel attached to the company. Therefore, in making an employee engagement survey, Sirota incorporates four components that encourage employee engagement namely equity, achievement, camaraderie, and leadership.

Gallup Organization (2004) groups three types of employees based on the engagement level such as Engaged, employees tend to show high performance and maximum in completing every job given to them. These types of employees will be willing to give their strength and maximize their talent in working for the organization to flourish. Not Engaged, employees will only do the job by their portion and according to what organizations pay them. In working, they are always waiting for orders from the boss and tend to feel no energy when working. Actively Disengaged, employees will openly demonstrate their unhappy feelings and dissatisfaction with their work. They will also consistently show resistance and only see the negative side of the various opportunities

## Performance

Performance term is an abbreviation of work kinetics, i.e., human energy if typed or employed will result in output, so performance is a recording output of the dimension or work function within a particular time (Wirawan, 2015). Understanding performance or performance is an indicator of the level of achievement of an activity or policy program in achieving goals, goals, vision, and organizational missions outlined in organizational strategic planning (Moeheriono, 2014).

Basically, the concept of performance is a change or shift paradigm of the productivities concept to state the ability of a person or organization to achieve the goal of a particular target (Sudarmanto, 2015). Furthermore, the new productivity paradigm is an actual performance paradigm that demands actual measurement of overall organizational performance, not just the efficiency or physical dimensions, but also the intangible dimensions.

According to Bernardin Russel, in Sudarmanto (2015) employee performance is what influences how many employees contribute to the organization. The contributions are *quality*, *quantity*, *timeliness*, *costeffectiveness*, *need for supervision* and *interpersonal impact*.

Mathis and Jackson (2006) describe some of the factors used in measuring employee performance, namely the quantity of work, quality of work, timeliness of attendance, and the ability to work together. Performance can be seen from the number of works that conforms to the standard work set.

## **Hypotheses Development**

The hypotheses of this study are as follows:

H1: Leadership, Achievement, Camaraderie, and Equity have an influence on employee performance simultaneously.

H2: Leadership, Achievement, Camaraderie, and Equity have an influence on the performance of employees partially

## III. RESEARCH METHODS

This type of research is correlational research, i.,e. Investigating whether or not the relationship between independent variables, namely leadership, achievement, camaraderie, and equity to dependent variables in this context is employees' performance (Sinulingga, 2012). Population in this research is PPKS employees in Medan which amount to 288 employees. The research sampling technique used purposive sampling. In this study, the respondents' criteria are based on the length of work that is at least five years with the consideration that employees with over five years of working who understand and feel more explicit about the conditions of employee engagement in the company. The sample size is determined using Slovin formula. Thus the sample size is 78 respondents. A data measurement scale in this research is the Likert scale. The research analysis model is multiple regression, and for hypothesis test using F-test and T-test

## IV. RESULTS & DISCUSSION

## Results F-test Results

Table 1. F-test Results

Model		Sum of	df	Mean	F	Sig.
		Squares		Square		
1	Regression	3811.654	4	952.914	18.278	$.000^{a}$
	Residual	3805.730	73	52.133		
	Total	7617.385	77			
a. Predictors: (Constant), X4, X2, X3, X1						
b. Dependent Variable: Y						

## **T-Test Results**

Table2. T-test Results

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Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
		В	Std. Error	Beta			
1	(Constant)	24.563	5.864		4.189	.000	
	X1	307	.118	301	-	.011	
					2.596		
	X2	184	.088	231	-	.041	
					2.080		
	X3	.285	.156	.165	1.827	.072	
	X4	.721	.187	.334	3.862	.000	
a. Dependent Variable: Y							

Based on the significance level of each variable from the table above, the results are as follows; leadership has a significant influence on employee performance. This case means that a highly objective employer assesses employee's work achievement, the employer rewards the success of employees in completing the task, and the boss is willing to spend time helping if employees are having difficulty completing tasks to improve employee performance. The achievement has a significant impact on employee performance. The seriousness of completing work to completion is responsible for the work of employers and co-workers, the opportunity to receive training to further improve skills in the work, carrying out tasks will affect the performance of employees. Camaraderie has an insignificant effect on employee performance. Coordination between departments in the company is progressing smoothly and is always willing to share information or knowledge related to working in related departments. However, the results of this study indicate that even though fellow employees can interact and coordinate well, it does not necessarily show a positive attitude toward employee performance. Equity has a significant effect on employee performance. If the company looks at

the employee's economic well-being and minimizes the difference in status in the workplace, then the employee's performance will increase.

**Table 3 Determination Coefficient** 

Mode	R	R Square	Adjusted R	Std. Error of
1			Square	the Estimate
1	.707 <sup>a</sup>	.500	.473	7.220
a. Predi				

## V. DISCUSSION

Statistical analysis results show that employee performance is influenced by Leadership, Achievement, Camaraderie, and Equity. Based on the analysis of the questionnaire distributed to 78 respondents, the value of the determination coefficient (R Square) is 0.500. That means 50% of Employee Performance is influenced by Leadership, Achievement, Camaraderie, and Equity. While 50% is influenced by other variables outside the variables used in this study, such as the quality of top-level relationships, organizational support, organizational commitment, work rotation, training, and development. The results of this study are in line with previous studies conducted by Ramadhianie (2016) which find that simultaneously achievement, camaraderie, and equity have a significant effect on employee performance. Partially, leadership, camaraderie, and equity have a significant effect on employee performance. While achievement partially does not have a significant effect on employee performance. Partially, leadership, achievement, and equity have a significant effect on employee performance. Partially, leadership, achievement, and equity have a significant effect on employee performance. Whereas, partnering camaraderie has no significant effect on employee performance.

## VI. CONCLUSIONS & SUGGESTIONS

## Conclusion

Based on the results of the research and discussion, some of the conclusions that can be taken are as followsEmployee performance is influenced by Leadership, Achievement, Camaraderie, and Equity and obtained the coefficient of determination (R Square) of 0.500. This case means that 50% of Employee Performance is influenced by Leadership, Achievement, Camaraderie, and Equity. While 50% is influenced by other variables outside the variables used in this study, such as quality of subordinates, organizational culture, work environment, organizational support, organizational commitment, work rotation, training, and development. The results of hypothesis testing simultaneously (F test) is obtained that Leadership, Achievement, Camaraderie, and Equity together affect the performance of employees. Based on partial testing (T-test), Leadership, Achievement, and Equity significantly affect the performance of employees. Based on partial testing (T-test), Camaraderie did not significantly affect partially on employee performance.

## Suggestions

Based on the results of the research, some suggestions can be presented as follows; concerning Leadership, companies should intensify two-way communication between employees with middle managers and Top Managers. Leaders always feel open to what their employees regularly do by regularly making meetings and regularly and continuously participating in evaluating employee work. Employees are also given the freedom to do their work but must comply with the applicable SOPs. Concerning Achievement, companies need to care about employee career development with the goal of enabling employees to develop potential and explore their capabilities for their role. Developing employee competence to ensure the right person fills availability in every function or department can be done by enhancing to outside information so employees can make a breakthrough or discovery to support work activities. Leaders can also assign tasks or jobs to inspiring employees and increasingly developing employees' insights and knowledge. Because of that, employees will be increasingly recognized for their ability to complete their previous work, so they will be more challenged to carry out jobs that can develop their capabilities. Relating to Camaraderie, to keep track of inter-unit communications, especially on the team can be done by improving the quality of the annual event involving all employees either team or representative of the unit. The annual event can be like the celebration of the anniversary of RI, the celebration of the company's anniversary, the team building and training event. With Equity to improve employee performance, the company is expected to re-arrange the employee's workspace, evenly in the facility obtained according to the description of the work or its unit or the size of the workspace. Besides, the company also creates a more conducive working environment in providing compensation, more objective performance assessment, and providing regular job training.

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