

## **THE INFLUENCE OF LEADERSHIP, MOTIVATION AND COMPETENCE, ON EMPLOYEE PERFORMANCE AT THE SERVICE OF COOPERATIVES AND SMEs IN SELATAN PROVINCE**

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### ***Abstract***

*This study aims to identify and analyze : 1)Do leadership, motivation, and competence have partial effect on employees at the South Sulawesi Province,2)Do leadership,motivation, and competence simultaneously affect employee performance at the South Sulawesi Province cooperative and SME Service, 3)Which variables are the most domint influence on employee performance at the Depatement of Cooperatives and SMEs of South Sulawesi Province. The research was conducted at the Departement of Cooperatives and SMEs of South Sulawesi Province. This research is quantitative.the Determination of the sample is carried out using a saturated sampling technique (cencus), that is, the entire population is sample as many 91 people. data collection method used is questionnaires and document studies. The analytical methods used is descriptive statistical analysis and multiple linear regression analysis .The results of the study concluded that: 1)Motivational leadership. The potential partially effects the performance of employees at the Departement of coopeSMEs of South Sulawesi Province,2)Leadership, motivation, and competence simultaneously affect the performance of employees at the Departement of cooperatives and SMEs of South Sulawesi Province, 3) The most dominant competency variable has an effect on employee performance at the Departement of Cooperatives and SMEs in South Sulawesi province*

**Keywords:** *Leadership, Motivation, Competence, Employee Performance.*

### **INTRODUCTION**

Leadership (*leadership*) has been defined in different ways by different people. Managerial leadership can be defined as a process of directing and influencing the activities of a group of members whose tasks are interrelated. Leaders are related to how to motivate subordinates to work well and be able to improve their performance,

Motivation is a force, both from within and from outside that encourages a person to achieve certain predetermined goals. Motivation is one of the roles that must be carried out by leaders towards their subordinates. Leaders motivate employees to produce set performance, provide support, assist, and direct employees in completing their work, a leader must have the right way to motivate his employees to achieve high work performance.

Motivation is the strength or encouragement that exists in employees to act (behave) in certain ways, this strength is in the form of an individual's willingness to do something or according to each individual's abilities. Motivation is formulated as a willingness to make high efforts to achieve organizational goals, which is conditioned by the ability of efforts to meet certain individual needs. According to Rivai (2009) motivation is a set of attitudes and values that influence individuals to achieve specific things according to individual goals. Motivation is the result of a number of internal and external processes for an individual that causes enthusiasm and persistence in carrying out certain activities.

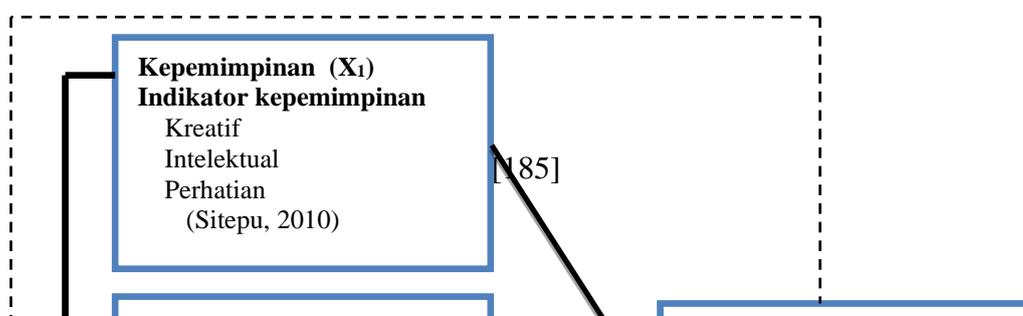
Based on the description that has been described in the background mentioned above, it can be explained that the objectives to be achieved in this study are:

1. To test and partially analyze the influence of leadership, motivation and competence on the performance of the Cooperative and UKM Service Employees of South Sulawesi Province.
2. To test and analyze simultaneously the influence of leadership, motivation and competence on the performance of Employees of the South Sulawesi Province Cooperative and UKM Office.
3. To test and analyze which variables have the most influence on the performance of South Sulawesi Province Cooperative and UKM Office Employees.

Various studies that have been carried out related to this research which can be used as a reference and comparison, can be briefly classified as follows:

1. Agussalim's research (2010) examined the research title "Analysis of factors that influence employee performance. The variables studied are expertise/skills with indicators of experience, skill, ability and accuracy. The second is the working atmosphere variable with indicators of safety, calm, togetherness, lighting and air sanitation. The third is the variable of work motivation with indicators of enthusiasm, ambition, sincerity and discipline. In addition, the performance of employees/employees can be measured by indicators of initiative, work performance and responsibility. The results showed that (1) employee work skills tend to be in the good category, (2) work atmosphere is moderate, (3) work motivation is still low, (4) employee performance is moderate, (5) expertise has a positive effect on employee performance, as well as initiatives, work performance and responsibilities are not optimal, meaning in the medium category.
2. Muksonuddin (2009) conducted the same research with the research title "The Influence of Professional Competence and Work Motivation on Employee Performance." The results of the study found that:*First*, professional competence, work motivation, and employee performance. all three are included in the moderate category.*Second*, professional competence and work motivation have a significant effect on employee performance.
3. Wendhth (2004), examined leadership style, motivation and organizational culture on employee performance. In this study found that leadership style has a positive influence on performance, this shows that good leadership has a positive influence on improving performance.
4. Saiful A (2009) the effect of education and training on the work competence of BNI Bulukumba employees. The analytical tool used is multiple linear regression analysis. The findings found that the variables of knowledge, skills, professional attitude and insight affect employee competence. After being tested with the F-test, it turns out that the F-count is greater than the F-table, indicating that the professional attitude is more dominant after comparison, among others, the regression coefficient (B) is greater than the other T-counts.

Based on the above, the conceptual framework for this research is shown below, namely:



1. Leadership, motivation and competence partially influence the performance of employees of the South Sulawesi Province Cooperative and UKM Office.
2. Leadership, motivation and competence simultaneously influence the performance of employees of the South Sulawesi Province Cooperative and UKM Office.
3. The most dominant competency variable influences the performance of South Sulawesi Province Cooperative and UKM Office Employees.

## RESEARCH METHODS

Starting from the problems and research objectives to be achieved, this type of research is quantitative research using survey methods with correlational analysis techniques to determine the effect of the relationship between the dependent variable and the independent variable. The population in this study were all employees of the Cooperative and UKM Office of South Sulawesi Province, consisting of 91 employees.

Sampling in this study was carried out using saturated or census sampling techniques, all populations were sampled. So the number of samples in this study were 91 employees of the South Sulawesi Province Cooperative and UKM Office.

In this study, validity and reliability tests were carried out to ensure the level of validity and reliability of the instrument. The results of the analysis show that all research variables are valid based on a correlation coefficient value greater than 0.30 in all statement items for each indicator. Then the value of the correlation coefficient *cronbach alpha* greater than 0.60 indicates that all research variables are reliable. If the validity and reliability of the questionnaire are met, then data collection in the field is appropriate.

Testing the validity of the instrument is calculating the correlation coefficient between the item scores and the total score at a significance level of 95% or  $\alpha = 0.05$ . The instrument is said to be valid having a significant correlation value  $\leq$  of 95% or  $\alpha = 0.05$  (Sugiono, 2010). Validity is done by using the coefficients *skorelasi product moment Pearson*. The test criteria used in the instrument are said to be valid if the value of  $r \geq 0.30$  (*cut Of point*) (Sugiono, 2010).

Quantitative data analysis technique obtained from the results of the questionnaire using multiple linear regression analysis (*multiple regression analysis*). Multiple linear analysis was carried out to see the effect of the independent variable (X) which is indicated by leadership, motivation and competence on the dependent variable (Y) which is indicated by employee performance.

The general form of the model to be used is:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + e$$

Where:

AND = Employee Performance

a = constant

X<sub>1</sub> = Motivation

X<sub>2</sub> = Leadership

X<sub>3</sub> = Competence

b<sub>1</sub>, b<sub>2</sub>, b<sub>3</sub>, = coefficient of influence

It is = Prediction Error

Furthermore, to determine the effect of independent variables, namely: leadership (X<sub>1</sub>), motivation (X<sub>2</sub>), and competency (X<sub>3</sub>), on the related variable, namely Employee Performance (Y) together, the F test is carried out.

Then to find out: leadership (X<sub>1</sub>), motivation (X<sub>2</sub>), and competency (X<sub>3</sub>), on the related variable, namely Employee Performance (Y) partially, a t test is carried out.

## RESEARCH RESULTS AND DISCUSSION

Hypothesis testing is done using regression techniques. The results of data processing can be seen in the following table:

Table 1  
Multiple Regression Results

Model	B	T	P (say)
Constant	0.171	0.181	0.857
Leadership (X <sub>1</sub> ),	0.336	5.634	0.000
Motivation (X <sub>2</sub> )	0.257	2.968	0.004
Competencies(X <sub>3</sub> )	0.408	4.492	0.000

Source: Data processed, 2021

From the table above, the regression equation is obtained

$$= 0.171 + 0.336 X_1 + 0.257 X_2 + 0.408 X_3$$

The above equation shows that:

- A constant of 0.171 states that if there is no change in the leadership, motivation and competence, and employee performance factors, then the performance level at the South Sulawesi Province Cooperative and UKM Service is 0.171 units.

- Compensation variable regression coefficient ( $X_1$ ), the coefficient is positive by 0.366. This means that each additional unit of leadership factor will affect a change in performance of 0.366 units. And conversely, if there is a decrease in the leadership factor by one unit, it will affect a decrease in performance by 0.366 units in the South Sulawesi Province Cooperative and UKM Office, assuming  $X_2$ , and  $X_3$ , still.

### Hypothesis Research

#### F Test (Simultaneous Test)

In table simultaneous testing (F test), intended to determine whether the variables Leadership, motivation and Competence together have an influence on employee performance.

Table 2  
F test results

Model	Sum of Squars	D f	Mean square	F	P
Regression	2947.068	3	982.356	517.768	0,000
Residual	165.0647	7	1.897		
Total	3112.132	9			

Source: Primary data processed, 2021

Based on table 5.16, the F statistic value is 517,768 with a significance value of 0.000 which is less than 0.05. It can be seen that simultaneously there is a significant influence between leadership, motivation and competence on employee performance at the Office of Cooperatives and UKM of South Sulawesi Province.

#### b. t test (Partial Test)

This test aims to examine the influence of the independent variables between (leadership, motivation and competence) whether or not they have a significant effect on employee performance at the South Sulawesi Province Cooperative and UKM Office at a significance level of  $\alpha = 5$  percent separately or partially. The following are the results of testing the t-test hypothesis:

Table 2  
Partial Test Results

Model	B	T	P (say)
Constant	0.171	0.181	0.857
Leadership ( $X_1$ ),	0.336	5.634	0.000
Motivation ( $X_2$ )	0.257	2.968	0.004
Competencies( $X_3$ )	0.408	4.492	0.000

Source: Primary data processed, 2021

Based on table 5.17 above it can be concluded as follows:

- 1) Influence *Leadership* on the performance of employees at the South Sulawesi Province Cooperative and UKM Office based on the table above a significance value of  $0.000 < 0.05$  is obtained, it is concluded that H1 is accepted, meaning *Leadership* has a positive effect on employee performance at the Office of Cooperatives and UKM of South Sulawesi Province
- 2) Influence *Motivation* on the performance of employees at the Cooperatives and SMEs Office of South Sulawesi Province. *Motivation* has a positive effect on employee performance at the Office of Cooperatives and UKM of South Sulawesi Province
- 3) Influence *competence* on the performance of employees at the Cooperative and UKM Office of South Sulawesi Province based on the table above a significance value of  $0.000 < 0.05$  is obtained, it is concluded that H1 is accepted, meaning *competence* has a positive effect on employee performance at the Office of Cooperatives and UKM of South Sulawesi Province.

### Beta Test and Coefficient of Determination ( $R^2$ )

The beta test is to test the independent/independent variables (X) which have the most dominant influence on the dependent/independent variable (Y) by showing the variable that has the highest standardized beta coefficient. Based on the results of data processing using SPSS, it can be seen in the following table:

Table 3  
Beta Test Results

Model	Beta	Say
Constant		0.857
X <sub>1</sub>	0,321	0.000
X <sub>2</sub>	0,282	0.004
X <sub>3</sub>	0,399	0.000

Source: Processed Data, 2021

Based on the results of standardized beta values, it is known that the variables which include leadership, motivation and competence simultaneously influence employee performance. While the variable that has the dominant influence based on the highest beta value is the competency variable (X<sub>3</sub>).

The coefficient of determination ( $R^2$ ) basically measures how far the model's ability to explain the variation of the dependent variable.  $R$  value<sup>2</sup> which is close to one means that the independent variables provide almost all the information needed to predict the variation of the dependent variable (Ghozali, 2006). According to experts in Ghozali (2006) recommends using values *adjusted R<sup>2</sup>* to measure the extent to which the model's ability to explain its independent variables. This is due to value *adjusted R<sup>2</sup>* can go up or down when an independent variable is added to the model.

The results of the calculation of the adjusted coefficient of determination ( $R^2$ ) in the Office of Cooperatives and UKM of South Sulawesi Province can be seen in Table 5.19 below:

Table 4

The results of the calculation of the coefficient of determination ( $R^2$ )

Model Summary<sup>b</sup>

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.973	.947	.945	1.37742

a. Predictors: (Constant), X3, X2, X1

b. Dependent Variable: Y

Based on the SPSS output in table 5.19 above it appears that from the calculation results the coefficient of determination ( $R^2$ ) at 0.947, this means that the coefficient of determination of the influence of Leadership ( $X_1$ ), motivation ( $X_2$ ) and competency ( $X_3$ ) on employee performance (Y) of 0.947 or 94.7% variance of employee performance (Y) is influenced by Leadership ( $X_1$ ), motivation ( $X_2$ ) and competency ( $X_3$ ). While the remaining 5.3% is influenced by other factors outside this model.

### Discussion of Research Results

In this study it was found that the performance of employees at the Main Makassar Kesyahbandaran Office was in the high category, this indicates that employees have worked well in accordance with the main tasks of the relevant agencies.

This section will discuss the influence of several factors that affect employee performance. The discussion of each of these variables is presented below.

#### 1. *The influence of leadership on Employee Performance*

The results of the hypothesis test show that leadership has a significant influence on employee performance. This indicates that leadership has a direct effect on employee performance. The results of this study are in line with the results of research conducted by Wendhth (2004) who found that education has a significant effect on employee performance.

#### 2. *The Effect of Motivation on Employee Performance*

The results of the hypothesis test show that motivation has a significant influence on employee performance with a coefficient value of 0.257. This coefficient indicates that motivation has a significant effect on employee performance. The results of this study are in line with what was done by Agussalim (2010), Muksonuddin (2009), Wendhth (2004), and Natsir, (2009) which states that motivation influences employee performance.

#### 3. *The Effect of Competence on Employee Performance*

The results of the hypothesis test show that competence has a significant effect on employee performance with a coefficient value of 0.320, this coefficient indicates that employee salary benefits have a significant effect on employee performance. The results of this study are in line with what was done by Agussalim (2010), Muksonuddin (2009) and Natsir, (2009) who found that competency positively and significantly influences employee performance.

#### 4. *The Most Dominant Variable Affects Employee Performance*

Based on the results of standardized beta values, it is known that the variables which include leadership, motivation and competence simultaneously influence the performance of employees of the Cooperative and UKM Office of South Sulawesi Province, while the dominant variable that influences is competency variable ( $X_3$ ).

## CONCLUSIONS AND SUGGESTIONS

### The knot

Based on the results of the research and discussion that have been stated above, several conclusions can be drawn as follows:

1. Partially shows that the leadership variable has an effect on employee performance, this shows that the higher a person's leadership will further improve employee performance at the South Sulawesi Province Cooperative and UKM Office.
2. Partially shows that motivational variables affect employee performance, this shows that the higher employee motivation will further improve employee performance at the South Sulawesi Province Cooperative and UKM Office.
3. Partially shows that the competency variable has a dominant influence on employee performance, this indicates that the more competent an employee is at work, the more employee performance will be improved at the South Sulawesi Province Cooperative and UKM Office.
4. Simultaneously it shows that the variables of leadership, motivation and competence have an effect on employee performance, which means that increased leadership, motivation and competence will affect the increase in the performance of employees of the South Sulawesi Province Cooperative and UKM Office by 94.7%.

### Suggestion

1. There needs to be strong leadership so as to be able to make a positive contribution to improving the organization.
2. It is necessary to motivate employees to work harder so that they can contribute to increased performance.
3. It is necessary to involve employees in rotational training according to their respective duties so that they are able to better understand their field of work at the South Sulawesi Province Cooperative and UKM Service.

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