Identification of Work Unit Competencies and Employee Motivation Affecting Company Performance of PLTU SUMSEL 8 (Case Study PT. Huadian Bukit Asam Power)

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ABSTRACT

This study is to determine the effect of Work Unit Competencies and Employee Motivation on the performance of the PLTU SUMSEL 8 business. This research uses a quantitative approach with descriptive verification type research using regression analysis method using SPSS 25. The technique used in this research is multiple linear analysis with a sample of as many as 98 respondents of PLTU SUMSEL employees 8. The results in this study indicate that there is an influence between the Work Unit Competencies and Employee Motivation on Business Performance. This study emphasizes the importance of managing Human Resources to improve business performance, increasing the work Competencies of each employee is also very necessary for the sustainability of a business, especially in conditions that are full of competition and changes in the digitalized environment.

Introduction

The development of technology and information which is currently being felt to continue to develop requires a business or organization to have a competitive advantage (Adam & Kamase, 2019). This advantage will be obtained if the business has competent human resources and business units that are a strength for the business itself (Donatus, 2018). Human resources in an organization or business are the most important elements in gaining competitive advantage (Schaper, 2017). This is as stated by Bohlander (2013) that the role of human resources is an important asset that can help the realization of business goals. According to Sukmawati (2017), The level of success of a business will greatly depend on the quality of the people in the business. One of the efforts that can be done is through directed and planned development, so as to seek competencies in each unit in the business itself (Darma, 2017). According to Sunil Misra (2018), Placement of employees in suitable positions is one way of producing good and quality human resources according to their competencies. Sujiati and Najib (2017) argue that competencies are the ability to carry out or perform work or tasks based on skills and knowledge and is supported by the work attitude demanded by the job.

Competencies as the ability of a person or group can help a business face competition and respond to environmental changes to outperform its competitors. According to Schaper (2017), Competencies must show the characteristics of knowledge and skills possessed or needed by each individual and group that enable them to carry out their duties and responsibilities effectively and improve the quality standards of professional work (Bohlander, 2013). There are two terms that arise from two different schools of concepts of conformity in work and competencies. competency is a description of behavior, while conformity in job skills which is a job description or job (Bernard, 2017). According to Donatus and Guswandi (2018), human resource competencies is the expertise or knowledge that a person has through a training and development process that can support company performance. From the point of view of human resource management, Bohlander (2013) states that there are several factors that can affect business performance, namely Motivation, satisfaction, communication, competencies, and leadership style.

Table 1. Factors that affect company performance

No.	Factors Affecting the Business	(%)
1	Employee Motivation	30 %
2	Culture	15 %
3	Leadership Style	20 %
4	Employee Competencies	25 %

Source: Bohlander (2013)

Organizational skills in managing human resources are very important to be able to produce competitive advantage (Darma, 2017). Human resources place a special priority in the organization, thus creating a warm climate to improve the effectiveness of organizational performance (Decius, 2017). However, stated that in this case protecting human resources, it will not be successful if they are not motivated to do their job. That is, to obtain organizational performance, the main role that can be done by the business is to encourage what makes employees satisfied or motivated to do the work planned. Hazen and Bradley (2017) state that if the turnover is more than 10%, the business is said to be not good, conversely if the turnover is below 10% the business can be said to be good.

PT. Huadian Bukit Asam Power (PT. HBAP) is a joint venture company founded by China Huadian Hong Kong Co. Ltd. (CHDHK) and PT. Bukit Asam Tbk. (PTBA) on October 5, 2012. PT. HBAP, in accordance with its charter, is involved in generating and supplying electricity, and to achieve its objectives, is currently developing a 2x660 MW mine-mouth coal fired power plant. which is also known as PLTU SUMSEL-8 2x660 MW. The company consists of 55% shares of CHDK and 45% shares of PTBA. In the SUMSEL 8 PLTU project has a security organization by PT. Satria Hasti Guna where in the organization there are 68 security employees. Each individual has different performance characteristics.

This condition shows that the level of employee satisfaction is very low, causing a decrease in performance in performing basic tasks and functions. Therefore, we need a more serious approach in reducing these conditions. This is as stated if satisfaction decreases, it will also result in a decrease in business performance.

This study tries to determine or identify the work unit's Competencies and Motivation for the business's performance. PT. HBAP as for the formulation in this research are:
(1) Does the Competencies of the work unit affect the Company Performance PT. HBAP?
(2) Does employee Motivation affect the Company Performance PT. HBAP?
(3) Does the Competencies and Motivation affect the Company Performance PT. HBAP?

Literature Review

Competencies

Barasa and Sumali (2019) explain about Competencies, it is the ability to carry out and perform work or tasks based on skills and knowledge that are supported by the work attitude of the job. Competencies means the ability of a

person or group to produce at a satisfactory level in the workplace, also shows the characteristics of the knowledge and skills possessed or needed by each individual which enables them to carry out their duties and responsibilities effectively as well as to improve the quality standards of professional work (Adam & Kamase, 2019). In simple terms, according to Bohlander (2013), Competencies is defined as the ability of skills and knowledge to do or complete work. Donatus (2018) mentions four dimensions in measuring competency variables, namely abilities, skills, knowledge and work attitudes.

Motivation

It is important to recognize that business organizations need the right Motivational input as a source of energy to produce outputs. The organization itself is a system created by a group of people who have the Motivation to work together with one another to achieve a series of goals (Mohamud & Ibrahim, 2017). The more Motivation an organization transfers to an employee, the more rewards the employee will give (Setiadi, 2016). Hence, Motivation is an inherent desire that drives a person to achieve their own goals and organizational goals. According to Bohlander (2013), Motivation can be described as a goal to psychological process that causes arousal, direction, and behavior persistence. Prasetyo and Rivai (2020) argue that Motivation is an emotional state that has a tendency to act. From the perspective of Mahazan (2020), it is based on social exchange and levels of reciprocity.

Company Performance

Company Performance is an organizational result that is measured against what is intended, namely the goals and objectives of the business. According to Lungu (2020), organizational performance includes two types that can be categorized such as: (a) financial categorized, (b) sales categorized. In recent years, many organizations have attempted to manage organizational performance using a balanced scorecard methodology in which performance is treated and measured in various dimensions such as: (a) financial performance, (b) customer service, (c) social responsibility. In the human

resource literature (Gomez, 2012), it is widely recognized that worker Motivation leads to a higher quality of human resources in both private and public organizations and results in optimal performance. According to Johan and Tezza (2019), Performance is a measure of the success rate of a business in carrying out its goals. Setiawan (2019) argues that performance has a strong relationship with strategic goals. Management must establish communication links to resources for the success of the business's goals as something that must be managed to get good results for the organization. In measuring organizational performance, Booci in Johan (2019) is divided into two things in measuring performance, the first measurement is based on financial and the second is non-financial measurement.
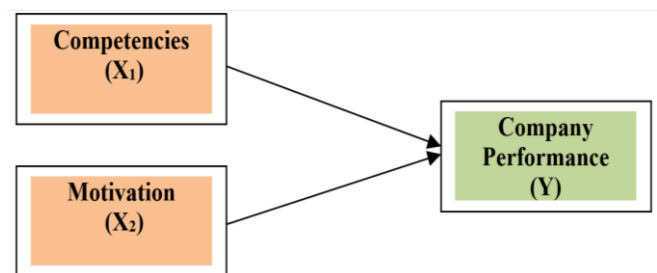
Conceptual Framework

Figure 1. Relationships between variables

Hypothesis

The Effect of Competencies on Company Performance

To achieve performance and achieve goals, employees must demonstrate their competencies to all divisions in order to support performance (Adam & Kamase, 2019). Nurudin (2019) states that Competencies is one of the determinants of performance, because a performance can be said to be successful when employees have competencies in what is done. Therefore, knowledge, skills, attitudes, and behaviors which are dimensions of competencies affect performance (Donatus, 2018).

H1. Competencies has an influence to Company Performance

The Effect of Motivation on Company Performance

Motivation is an inherent desire that drives a person to achieve their own goals and organizational goals. According to Rivai (2020), Motivation means described as a psychological process that causes arousal, direction, and behavior. Mohamud (2017) states that Motivation can affect business performance. Likewise, with Mahazan (2020) which states that if employee Motivation is high, organizational performance can increase.

H2. Motivation has an influence to Company Performance

The Influence of Competencies and Motivation on Company Performance

Company Performance is achievement of a series of work activities in terms of quantity, quality, efficiency and effectiveness. The higher one's work performance is expected to achieve organizational goals (Johan, 2019). Lungu (2020) states that good performance can be obtained if the quality of human resources in the business has high Competencies and Motivation.

H3. Company Performance is influenced by Competencies and Motivation

Methodology

Quantitative approach needed for this research with descriptive verification type. Primary data are data collected through questionnaires and interviews with related parties. Meanwhile, secondary data were collected from several journal publications and textbooks. The population in this study were all employees at PT. Huadian Bukit Asam Power (HBAP) as many as 98 people. As for the samples in this study were all employees at PT. HBAP. Data analysis was performed using multiple linear regression with the equation, $Y = a + b_1X_1 + b_2X_2 + e$ using SPSS 25 software.

Results and Discussion

The characteristics of the respondents in this study are as follows;

Table 2. Characteristics of respondents

Respondent Profile		Total	Percentage
Gender	Man	65	73
	Women	33	27
	Total	98	100%
Age	25-30 years	81	82
	31 - 40 years	17	18
	Total	98	100%
Length of work	2-3 years	47	51%
	3-4 years	30	39%
	5 years	21	10%
	Total	98	100%

Source: The results of the data are processed in 2021

Based on the respondent profile data, the majority of male gender is greater than that of women, which is 73%. Meanwhile, 82% of the ages were 25-30, and based on the length of work there were 2-3 more, namely 51%.

Descriptive Analysis Recapitulation

Table 3. Descriptive analysis recapitulation

Variable	Average	Information
Competencies (X1)	4,27	Good
Motivation (X2)	4,34	Good
Performance (Y)	4,18	Good

Source: The results of the data are processed in 2021

Validity and Reliability Test

Based on the results of validity testing, each statement item in this study has a Sig alpha level $\leq$ 0.05 level, which means that the research variable is valid. The reliability test is as follows:

Table 4. Reliability test

Variable	Cronbach's Alpha (CA)	Information
Competencies (X1)	0,741	Reliable
Motivation (X2)	0,735	Reliable
Performance (Y)	0,762	Reliable

Source: The results of the data are processed in 2021

Based on Table 4, the Cronbach's Alpha value of the three research variables is greater than 0.6, so it can be concluded that each statement is reliable.

Multiple Regression Analysis

The results of the calculation from multiple regression analysis can be seen in the following table:

Table 5. Multiple regression analysis
Coefficientsª

Model		Unstandardized Coefficients		Standardized Coefficients			Correlations		
		B	Std. Error	Beta	t	Sig.	Zero-order	Partial	Part
1	(Constant)	2.734	2.507		1.981	.278			
	Competencies	.499	.120	.179	2.499	.014	.487	.222	.154
	Motivation	.520	.102	.379	5.098	.000	.629	.422	.315

a. Dependent: Company Performance (Y)
Source: SPSS output (2021)

From the table above, it is obtained that the constant value (a) is 2.734, the regression coefficient value for X1 (b1) is 0.499, the regression coefficient value for X2 (b2) is 0.520. The regression equation that explains the effect of Competencies and Motivation on performance is as follows

$$Y = 2{,}734 + 0{,}499\ X1 + 0{,}520\ X2$$

The regression coefficient is positive, it shows that the employee's Competencies increases and the higher the Motivation can increase the business's performance.

Correlation Analysis

Table 6. Correlation analysis
Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.736ª	.542	.530	3.79173

a. Predictors: (Constant), Competencies (x1), Motivation (x2)
b. Dependent Variable: Performance
Source: SPSS output (2021)

The multiple correlation coefficient (R) value obtained is 0.736. These results indicate that 0.736 is between 0.60 - 0.79. This means that Competencies and Motivation have a strong relationship to Company Performance.

The Influence of Competencies and Motivation on Company Performance

Table 7. Effect of competencies and motivation on performance

Variable	T_{count}	Prob. (sig.)	H_0	Description
Competencies	4,098	0,000	Rejected	Significant at α = 0.05
Motivation	4,499	0,014	Rejected	Significant at α = 0.05

Source: SPSS output (2021)

From the table above the value of the t-count when compared with the t-table, it is obtained that the t-value is greater than the t-table value (4.098> t table = 1.980), thus H_0 is rejected at the α = 0.05 level. By looking at the significance value, the results of the H_0 test are rejected because 0.000 <0.05, the test decision is significant. So there is a significant influence between competencies on company performance. Likewise, the Motivation variable obtained 4,499. By looking at the

significance value, the results of the H_0 test are rejected because $0.014 < 0.05$, all test decision is significant at the 5% significance level. So there is

a significant impact from motivation on company performance.

Hypothesis testing results

Table 8. Hypothesis testing results
ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2038.085	3	679.362	45.273	.000^b
	Residual	1725.262	120	14.377		
	Total	3763.347	123			

a. Dependent Variable: Company Performance (Y)
b. Predictors: (Constant), Motivation (X2), Competencies (X1)
Source: SPSS output (2021)

Based on the calculation results as presented in Table 8, it can be seen that the regression model has an F-count of 45.273 with a p-value = 0.000. So that the conclusion of the test is significant,

thus H_1 is accepted. Competencies and Motivation have an influence on Company Performance.

Coefficient of Determination

Table 9. Coefficient of determination
Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.736^a	.542	.530	3.79173

a. Predictors: (Constant), Competencies (x1), Motivation (x2)
b. Dependent Variable: Company Performance
Source: SPSS output (2021)

Based on the calculation results in the table above, the coefficient of determination (R^2) obtained is 0.542. The results obtained indicate that simultaneously there is an influence of Competencies and Motivation on company performance of 54.2%. While 100% - 54.2% = 45.8%. This means that there are 45.8% which can

affect the company performance that was not examined in this study. The influence of each independent variable partially on company performance can be calculated by multiplying the value of standardized coefficients with the zero-order correlation found in the following table:

Table 10. Value of standardized coefficients and Zero-order correlation
Partial Determination Coefficient
Coefficients^a

Model		Standardized Coefficients Beta	Correlations Zero-order	Partial	Part
1	(Constant)				
	Competencies	.379	.629	.422	.315
	Motivation	.317	.487	.222	.154

a. Dependent Variable: Company Performance
Source: SPSS output (2021)

The impact of Competencies to Company Performance is obtained 0.379 0.629 = 0.238. It means there is less impact 23.8% of Competencies in explaining / influencing to company

performance. The magnitude of the influence of Motivation on Company Performance = 0.317 x 0.487 = 0.154. This means that there is a contribution of 15.4% of the Motivation variable

in explaining / affecting the performance of the company PT. Huadian Bukit Asam Power (HBAP).

The results of the study concluded that there was an impact between competencies and motivation to company performance. These results also support the findings of Adam and Kamase (2019), Bernard and Basri (2017); Donatus (2018); Johan (2019) states that the competencies possessed by employees in a company can have an influence on the company's performance itself. In addition, Mohamud and Ibrahim (2017) also states that motivational factors have an influence on company performance.

Conclusion

Conclusion

1. The research above is explained in the descriptive analysis that the competency, motivation and company performance variables are in the Good category. In the sense that the respondent's response to all indicators in the three variables above is good.
2. Then we can see that competencies to company performance less influence partially is only 23.8%. Competencies not have much impact to company performance, which means that company performance is not fully influenced by the competence of employees in each work unit, but can be influenced by other factors.
3. While the motivation variable has an even lower effect, namely only 15.4% on company performance. It can be interpreted that employee work motivation does not really affect company performance, in this case has a big influence of other variables on company performance.
4. Simultaneously there is an influence of competence and motivation on performance of 54.2%. This means that there are 45.8% which can affect the performance that was not examined in this study.

Suggestions

1. In order for company performance to improve properly, managers must manage their resources so that they have an influence,

especially in seeking competitive advantage through their human resources.
2. This study does not rule out, there may be other variables that can affect company performance. These findings reinforce the need for a strategy for human resources in order to remain competitive amid increasing competition.
3. In order for PT. Huadian Bukit Asam Power (HBAP) to remain productive and have competitiveness, several alternatives can be implemented either through coaching, increasing technical and managerial capabilities of employees and providing compensation for employees who are entitled to receive it.

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