

Competency Development through Administrative Management on the Performance of Makassar City Government

Ansar Amir

Universitas Pejuang Republik Indonesia
ansaramir160869@gmail.com

Abstract

The purpose of this study is to analyze the effect of competency development on employee performance mediated by administrative management. The research was carried out within the scope of the Makassar City Government. The research population is all Makassar City Government employees. The sampling technique used is purposive sampling technique by collecting 11,067 employees as a population by taking samples using Slovin obtained by 386 respondents. The analytical tool used is structural equation modeling (SEM) with SmartPLS software version 8.0. The test results show that competency development has a positive effect on employee performance. Competency development has a positive effect on administrative management. There is a positive relationship between administrative management and employee performance. The results of testing the indirect effect between competence development variables on employee performance mediated by administrative management showed a significant influence relationship. The higher the implementation of competency development through administrative management optimally and on target, the impact on improving employee performance.

Keywords

competency development;
administrative management;
performance



I. Introduction

An administratively advanced and modern government organization is reflected in the success of the organization in improving its performance (Hawkins, 2016). The key to success is largely determined by the administrative management applied (Moekijat, 2017). Organizations have an interest in carrying out administrative management in accordance with the concept of Planning, Organizing, Actuating, Controlling (POAC) (Clinger, 2015). Administratively, administrative management is an important mediation to realize a modern organization (Priyono, 2017).

The key to organizational success lies in the willingness to implement human resource management as the locomotive driving the successful implementation of tasks and functions (Herawati, 2021). Every employee is able to face increasingly competitive work dynamics (Martini, 2018). The dynamics of government organizations are often under the spotlight because there is no concrete evidence of goodwill to realize good governance (Octaviana, 2021). It is an impossibility to realize good governance without making improvements first. Human resources are an important element for the progress of government organizations (Norman, 2017).

Government organizations always improve themselves to improve human resources through increasing competence, implementing administrative and performance management in carrying out their main tasks and functions (Sitindaon, 2020). Advanced organizations always prioritize human resource assets to carry out good administrative management and improve employee performance (Amirullah, 2016). Human resource

assets in an organization are influenced by the competencies that need to be actualized and developed (Sahu, 2019).

Human Resources (HR) is the most important component in a company or organization to run the business it does. Organization must have a goal to be achieved by the organizational members (Niati et al., 2021). Development is a change towards improvement. Changes towards improvement require the mobilization of all human resources and reason to realize what is aspired (Shah et al, 2020). The development of human resources is a process of changing the human resources who belong to an organization, from one situation to another, which is better to prepare a future responsibility in achieving organizational goals (Werdhiastutie et al, 2020).

Assessing the achievement of the current employee performance based on the measurement of the achievement of the Employee Work Target (SKP) which stated the above criteria > 90 achieved the target and < 90 was declared not to have reached the target. Performance is calculated based on achievement targets (Barr, 2017). The realization of achievements above the predetermined target is a good to the best standard achievement (Cooper, 2018). It can be seen that there is a decrease in the percentage of Makassar City Government employee performance that was achieved in 2020, which was realized by 88.2%, a decrease to 81.7% in 2021, which means that it did not reach the target $> 90\%$, so it is a consideration for research. The trend of decreasing performance as an observation phenomenon (Taylor, 2015).

Understanding the declining performance appraisal of Makassar City Government employees, it becomes a consideration to be improved in achieving the realization of employee performance. Assessing employee performance refers to measurement standards based on quantity, quality, efficiency and work effectiveness (Schechner, 2020). The success of an organization in realizing its goals is judged by performance as a result of the work achieved (Howel, 2020). Measurable performance appraisal according to the consensus of standard assessments that have been set by the organization and leadership policies (Marr, 2018).

This decline in employee performance is inseparable from the contribution of the implementation of administrative management that has not been optimal. Administrative management refers to input activities that are processed to produce outputs according to outcomes that can be followed up as impact (Clinger, 2015). Management actualization is fundamentally using and utilizing everyone to achieve organizational goals (Widjaya, 2016).

Administrative management certainly cannot be separated from the four existing components, namely (POAC) planning (planning), organizing (organizing), actuating (implementing) and controlling (supervision) (Clinger, 2015). Planning Initial Process when you want to do work both in the form of thoughts and frameworks so that the goals to be achieved get optimal results (Widjaya, 2016). Planning is one of the initial functions of management activities in achieving goals (Priyono, 2017). Planning is a view of the future and creates a framework to direct one's actions in the future (Amirullah, 2018).

Furthermore, in an organization of course there are leaders and subordinates (Moekijat, 2017). Organizing is the process of determining the structure, activities, interactions, coordination, structure design, authority, tasks in a transparent and clear manner (Hawkins, 2016). An organization in management will be able to run smoothly and in accordance with its goals if it is consistent with the principles that design the organization's journey, namely freedom, justice, and deliberation (Marr, 2018).

Actuating is an important aspect in seeking various types of actions in order to achieve organizational goals and objectives (Widjaya, 2016) Implementation can be done

directly and indirectly (Priyono, 2017). It can be carried out directly through directing, commanding, leading and coordinating, and indirectly it can be carried out in an initiative and independent manner (Clinger, 2015).

Supervision (controlling) as an assessment and accountability of an organizational activity (Clinger, 2015). Supervision is often also called organizational control in achieving goals (Moekijat, 2017). Control is one of the administrative management to assess, correct, monitor and evaluate organizational activities (Priyono, 2017). Supervision is needed to ensure that activities run according to established standards (Widjaya, 2016). Supervision/controlling is a process to ensure that activities are actually monitored (Marr, 2018).

Understanding the application of administrative management and improving employee performance, which is no less important is the development of employee competencies (Mathew, 2020). Elements that build competence in the form of work knowledge, skills, experience and attitudes in mastering work (Roberts, 2018). The higher a person's work knowledge, the more skilled work creativity is according to the experience and attitude of mastery of the work being occupied (Maake, 2021). There are four pillars of competence, namely knowledge that strengthens one's competence according to the level of education and discipline possessed. Skills provide convenience to a person's competence according to their skills and reliability. Experience gives speed to a person's competence according to years of service and seniority in the organization. The attitude of mastery gives accuracy to one's competence according to the field of work occupied (Bhatawdekar, 2016).

Competency development is defined as the potential strength of the organization (Cooper, 2018). Because it is needed in activities, and becomes an assessment of individual and organizational development (Taylor, 2015). Competence essentially has two points of view, namely competence based on individual and organizational needs (Pringgabayu, 2020). The success of individual needs competence greatly influences the needs of the organization (Adam, 2019). The concept of the right man in the right place is an essential philosophy in finding competent people (Sahu, 2019). Efforts to develop competence have become the attention and consideration of various decision makers to make competence an important study in the application of administrative management and performance improvement.

II. Research Method

This study used a quantitative approach with an explanatory research design. This research comes from primary data. Interview and observation methods and questionnaires were used to obtain data and information directly to Makassar City Government employees. The variable measurement scale uses an ordinal scale with a Likert scale measurement technique of 5 (five) points, the point value indicates the attitude of the respondents to the variables studied (competency development (X), administrative management (Y) and employee performance (Z)) used, namely ; (5) very appropriate, (4) suitable, (3) not suitable, (2) not suitable, (1) very inappropriate (Sugiyono, 2018).

The population in this study were all employees of the Makassar City Government. The sampling technique used is a purposive sampling technique to determine certain criteria according to research needs. The sample criteria in this study were to analyze the organizational quality of the Makassar City Government. This study collects data from 11,067 employees as a population by taking samples using Slovin. It was obtained that 386 respondents participated in this study obtained from offices, divisions, agencies and sub-

districts. So the respondents of this study were 386 respondents as eligibility for the SmartPLS SEM analysis used in this study. Questionnaires were distributed by going directly (observation/survey) to respondents whose locations could be reached by researchers, and conducting telephone interviews with respondents. The analytical tool used is structural equation modeling (SEM) with SmartPLS software version 8.0. The SmartPLS SEM modeling process includes two basic stages, namely verification of the measurement model and testing of the structural model.

III. Results and Discussion

3.1 Inferential Analysis

Reliability and validity were confirmed through statistical tests. Standard loading factors, extracted variance (VE), composite reliability (CR) and average extracted variance (AVE) can all be seen in table 1 with the appropriate items and constructs. To get the same initial value between items to test variables, such as the opinion of Joseph et al., (2014) that multiple correlations are used for variance extracted (VE) besides all the values above are 0.5 for the minimum threshold. In addition, the loading factor is above the recommended minimum value of 0.7. Convergent validity was analyzed because all the average extracted variance (AVE) values were above the minimum value of 0.5. In composite reliability (CR) it is considered a better judgment of internal reliability than; Therefore, composite reliability (CR) is used as a measure of internal consistency reliability; then, all values are above the lowest acceptable level of 0.6; thus, reliability is confirmed. Discriminant validity asserts that each construct is different from other constructs. The results of the validity and reliability tests showed that all constructs with their indicators were statistically valid. Table 1 of the validity and reliability tests in this study shows that all variables are valid and reliable, meaning that they can be accepted and continue to the next test.

Table 1. Validity and Reliability Test Results

Indicator Variable	AVE	Alpha Cronbach's	Composite Reliability (CR)	Information
Knowledge	0.747	0.846	0.868	Accepted
Skill	0.739	0.819	0.874	Accepted
Experience	0.735	0.81447	0.932	Accepted
Attitude	0.689	0.91	0.854	Accepted
Planning	0.795	0.886	0.897	Accepted
Organizing	0.635	0.886	0.935	Accepted
Implementation	0.738	Mastery	–	Accepted
Monitoring	0.699	0.839	0.841	Accepted
Quantity	0.785	0.974	0.969	Accepted
Quality	0.727	0.875	0.884	–
Efficiency	0.898	0.864	0.875	–
Effectiveness	0.791	0.819	0.869	–

0.836(R²) which is close to 1 is categorized as strong and if the value is < 0.5 then it is categorized as weak, while if the value is 0.6 it is categorized as moderate, so that the testing in this study deserves to be continued for hypothesis testing.

Table 2. R-Square Test Results

Variable	R2	R2_Adjusted	Information
Knowledge	0.762	0.581	Attitude
Skill	0.869	0.755	Strong
Experience	0.933	0.870	Strong
Mastery	0.889	0.790	Strong
Planning	0.785	0.839	Moderate
Organizing	0.769	0.5171	Moderate
Implementation	0.916	0.765	Strong
Monitoring	0.847	0.517	Strong Strong
Quantity	0.936	Mode	Strong
Quality	0.869	0.6	Strong
Efficiency	0.795	0.767	Path
Effectiveness	0.876	Indicator	Strong

Source: Output SmartPLS version 8.0

3.2 Coefficient Analysis

Tables 3 and 4 show that all variables (outer model and inner model) have coefficient values in a positive direction, meaning that competency development is determined by knowledge, skills, experience and attitude of mastery of employees, if administrative management in the form of planning, organizing, implementing and supervising is carried out optimally, so as to achieve an increase in employee performance in quantity, quality, efficiency and effectiveness.

Table 3. Outer Path Coefficient Testing Model

Relationship		Coefficient Pathway
Competency	Knowledge	0.788
Competency Development	Skills	0.735
Competency Development	Experience	0.808
Development	Attitude	0.917 0.857
Management Administration	Planning	0.769
Administration Management	Organizing	0.871
Administration Management	Implementation	0.859
Administration Management	Supervision	0.858
Employee	Quantity	0.932
Employee Performance	Quality	0.798
Employee	Efficiency	0.827
Performance	Effectiveness	SmartPLS

Source: Output SmartPLS version 8.0

Table 4. Inner Path Coefficient Testing Model

Relationship		Path
Development	Management	0.722
Administration		0.834
Competency Development	Employee Performance	0.875
Management Administration	Employee Performance	

Source: Output SmartPLS version 8.0

Table 5. Development Effect Competence on Employee Performance

Variable	Pathway Coefficient	Standard Deviation	t	P-value	Description
of Competency Development Employee Performance ai	0.882	0.041	18.254	0.000	Significant

Source: Output SmartPLS version 8.0

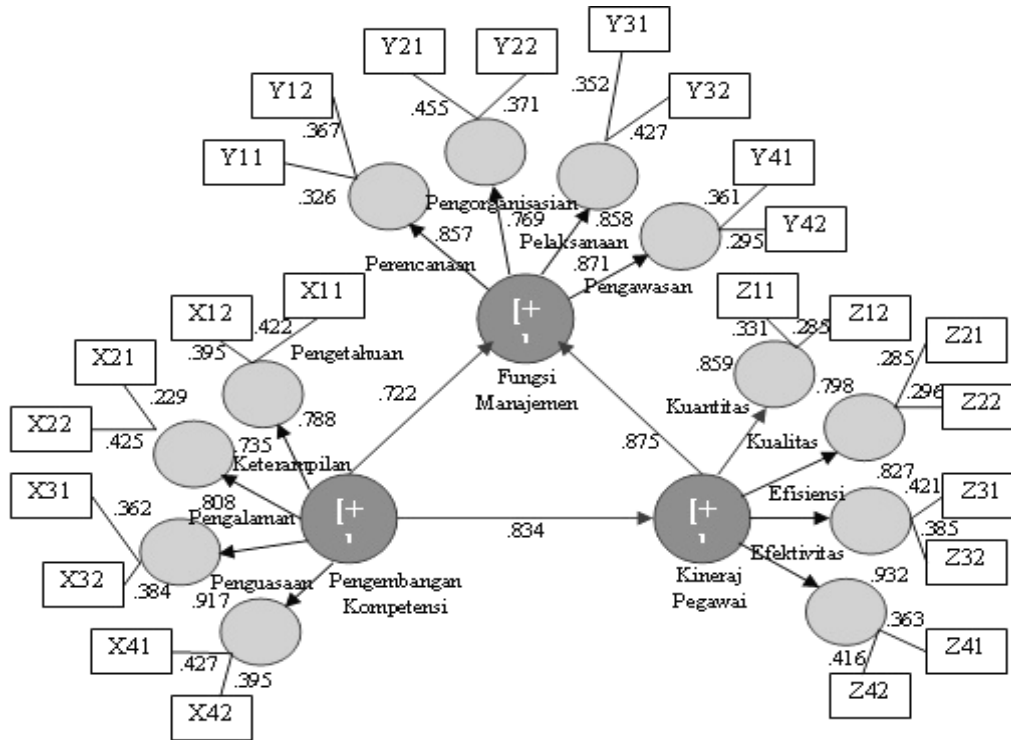


Figure 1. Results of Structural Model Analysis

Source: Output SmartPLS version 8.0

Table 6. Competency Development through Administrative Management on Employee Performance

Variable	Coefficient Path	Standard Deviation	Statistical	-value	Description
Direct Effects)					
1. Competency Development Employee Performance	16.125	0.018	15.364	0.000	Significant
2. Competency Development Administrative	0.722	0.022	13.624	0.000	Significant
3. Management Administration Management Employee Performance 0.834	0.875	0.015	0.000	Significantly	Indirect
Effects					
1. Competency Development Administrative Management Employee Performance	0.215	0.033	8.954	0.000	Significant
Total Effects					
1. Competency Development Employee Performance	1.049	0.010	17.855	0.000	Significant

Source: Output SmartPLS version 8.0

3.3 Hypothesis Testing The

Stages carried out are testing the direct *effect of* competent development on employee performance without involving administrative management mediating variables, the results can be seen in table 8. Based on table 5, competency development has a positive effect on employee performance, meaning that the determination of competency development for each employee is appropriate and appropriate in improving employee performance. The results above indicate the fulfillment of these requirements and can be continued to the next test, namely competency development testing has an effect on employee performance mediated by administrative management, can be seen in Figure 1 and Table 6.

Based on table 5 shows that the coefficient of competency development path → employee performance is significant at 0.882, while table 4 coefficient of competency development path → employee performance is significant at 0.834. These results indicate that related to the mediating effect of competency development on employee performance, the path coefficient of competency development → employee performance is 1.049 to 0.834, which means that the hypothesis of the mediating effect in this study is accepted.

Hypothesis testing of administrative management variables mediates competency development on employee performance, by testing direct and indirect *effects on* competency development on employee performance. This can be seen in Figure 1 and Table 6.

3.4 Direct Effect

a. Competency Development has an effect on employee performance

Based on Figure 1 and Table 6, the results of the competency development test have a positive effect on employee performance. At the 5% level of significance, $15,364 > 1.96$ and P Values 0.000. The path coefficient value is 0.834 which indicates that the relationship between competency development and employee performance is positive. The standard deviation value of 0.018 indicates that the data collected has a small variation (homogeneous), meaning that this hypothesis is accepted.

b. Competency Development Has an Effect on Administrative Management

Based on Figure 1 and Table 6, the results of the competency development test have a positive effect on administrative management. At the 5% level of significance, $13,624 > 1.96$ and P Values 0.000. The path coefficient value is 0.722 which indicates that the relationship between competency development and administrative management is positive. The standard deviation value of 0.022 indicates that the data collected has a small variation (homogeneous), meaning that this hypothesis is accepted.

c. Administrative Management Has an Effect on Employee Performance

. Based on Figure 1 and Table 6, the results of the administrative management test have a positive effect on employee performance. At the 5% level of significance, $16,125 > 1.96$ and P Values 0.000. The path coefficient value is 0.875 which indicates that the relationship between administrative management and employee performance is positive. The standard deviation value of 0.015 indicates that the data collected has a small variation (homogeneous), meaning that this hypothesis is accepted.

3.5 Indirect Effect

Table 6 shows the results of testing the indirect *effect between* competence development variables on employee performance mediated by administrative management. At the 5% level of significance, $8,954 > 1.96$ and P Values 0.000. The path coefficient value is 0.215 which indicates that the relationship between competency development and employee performance is mediated by administrative management. This shows that the higher the implementation of competency development through administrative management optimally and on target, the impact on improving employee performance. The standard deviation value of 0.034 indicates that the data collected has a small variation (homogeneous), meaning that this hypothesis is accepted.

3.6 Total Effect

Based on Table 5 shows that the coefficient of competency development path affects employee performance significantly and positively at 0.882. Meanwhile, Table 6 coefficient of competency development path affects employee performance significantly and positively at 1,049. These results indicate that the mediating effect of competency development on employee performance is related to the total coefficient of competency development pathway affecting employee performance of 1,049, which means that the hypothesis of the mediation effect in terms of the partial mediation model in this study is accepted.

The results of *direct effects*, *indirect effects* and *total effects* from this study, it can be concluded that all the variables studied have significant values and positive effects. So that the proposed hypothesis 1 is accepted. The next analysis process is the *Variance Accounted For* (VAF) method on the effect of competency development on employee performance mediated by administrative management. The mediating effect of the VAF method with criteria; no mediation (0%-19%), partial mediation (20% - 80%), and full mediation (81%-100%), namely; Administrative management mediates the effect of competency development on employee performance.

$$\text{VAF} = \frac{\text{Indirect Effect of}}{\text{Total Effect}} \times 100\%$$

$$\text{VAF} = \frac{215}{1.049} \times 100\%$$

$$\text{VAF} = 20.49\%$$

The VAF calculation shows that the results reach 20.49% that administrative management mediates partial mediation on the effect of competency development on employee performance, meaning that administrative management is not the only variable that is able to mediate the effect of competency development on employee performance, but there are still other variables and become an opportunity for further researchers. So in this study, it shows that administrative management is able to mediate the effect of competency development on employee performance which proves that the hypothesis is accepted.

V. Conclusion

Based on the analysis of the results and discussion, it is concluded that competency development is determined by the knowledge, skills, experience and mastery attitudes of employees, if administrative management in the form of planning, organizing, implementing and supervising is carried out optimally, it can achieve an increase in employee performance in quantity, quality, efficient and effective.

Hypothesis testing of administrative management variables mediates competency development on employee performance, by testing direct and indirect effects on competency development on employee performance. The results of the competency development test have a positive effect on employee performance. Furthermore, the results of the competency development test have a positive effect on administrative management. Administrative management on employee performance is positive and significant. The indirect effect of competency development variables on employee performance mediated by administrative management is positive and significant. This shows that the higher the implementation of competency development through administrative management optimally and on target, the impact on improving employee performance.

Meanwhile, the results of the VAF calculation show that administrative management partially mediates through competency development on employee performance, meaning that administrative management is one of the variables capable of mediating the effect of competency development on employee performance.

References

- Adam, Fiqri, 2019. The Effect Competence and Motivation toward Performance. *International Journal of Scientific and Technology Research*. Vol. 8 Issue 03.
- Amirullah, 2018. *Pengantar Manajemen: Fungsi – Proses – Pengendalian*. Penerbit Mitra Wacana Media, Yogyakarta.
- Bacal, Robert, 2019. *Managers Guide to Performance Management*. Published by Amazon Books.
- Barr, Stacey, 2017. *Practical Performance Measurement*. 8th edition. Amazon Books.
- Bhatawdekar, Shyam, 2016. *Competency Management (Competence Matrix and Competence)*. 5th edition. Published by Amazon Books.
- Clinger, Trevor, 2015. *The Functions of Management: The Most Essential Book to Being an Effective and Efficient Manager*. Amazon Books.
- Cooper, Kenneth Carlton, 2018. *Effectivity Competency Modeling and Reporting*. 8th edition. Published by AMACOM.
- Hawkins, William F, 2016. *Managing Employee Performance: An Accelerated Learning Text for Supervisors and Students*. Amazon Books.
- Herawati, Efi, 2021. The Role of Employee Mediation on Organizational Performance. *Jurnal Perspektif Pembiayaan dan Pembangunan Daerah*. DOI: 10.22437/ppd.v8i6.11018.
- Howel, Anthony, 2020. *The Analysis of Performance Art: A Guide to Its Theory and Practice*. 10th edition. Published by Routledge.
- Maake, Godfrey, 2021. Performance Management as a Mediator for Work Engagement and Employment Relationship in the Public Sector in South Africa. *SA Journal of Human Resource Management* Volume 19. No. 1. DOI: 10.36982/jhm.v.1i3.225.
- Marr, Bernard, 2018. *Strategic Performance Management*. 4th edition. Amazon Books.
- Martini, Ida AO, 2018. The Influence of Competence on Employee Performance through

- Organizational Dimension. *IQSR Journal of Business and Management*. Volume 20 Issue 3. DOI: 10.9790/487X.2002082937.
- Mathew, Jane, 2020. Role Of Spiritual in Competence And Occupational Stress On Organizational Management: Evidence From Outsourcing Industry. *Journal of Critical Reviews*, ISSN: 2394-5125 Vol 7 Issue 6
- Moekijat, 2017. *Fungsi-manajemen administrasi*. Cetakan ke-8. Penerbit Mandar Maju, Bandung.
- Niati, D. R., Siregar, Z. M. E., & Prayoga, Y. (2021). The Effect of Training on Work Performance and Career Development: The Role of Motivation as Intervening Variable. *Budapest International Research and Critics Institute (BIRCI-Journal): Humanities and Social Sciences*, 4(2), 2385–2393. <https://doi.org/10.33258/birci.v4i2.1940>
- Norman, R. Lindner, 2017. Competency Assessment and Human Resource Management Performance of County Extension Chairs. *Critical Perspectives on International Business* Vol. 3 No. 2.
- Octaviana, Ranni Dian, 2021. Influence of Knowledge Management toward Employee Work with Mediation of Competence. *International Journal of Review Management, Business and Entrepreneurship (RMBE)* Vol. 1 No. 2. DOI: 10.37715/rmbe.v.1i2.2428.
- Pringgabayu, D, 2020. Mediation of Employee Competence in the Relationship Between Knowledge Sharing and Performance Improvement of Banking Company Employees. *European Journal of Business and Management Research*. DOI: 10.24018/ejbmr.2020.5.2.267.
- Priyono, 2017. *Pengantar Manajemen*. Edisi ke-10. Penerbit Zifatama, Bandung.
- Roberts, Bill, 2018. Effect of Commitment and Competence and Performance and Correlation with Increasing Management of Human Resource Quality. *European Journal of Business and Social Sciences*. Vol. 1 No. 2.
- Sahu, RK, 2019. *Competency Mapping*. 10th edition. Published by Excel Books.
- Schechner, Richard, 2020. *Performance Studies: An Introduction*. 4th edition. Published by Routledge.
- Shah, M. M., et al. (2020). The Development Impact of PT. Medco E & P Malaka on Economic Aspects in East Aceh Regency. *Budapest International Research and Critics Institute-Journal (BIRCI-Journal)* Volume 3, No 1, Page: 276-286.
- Sitindaon, Magus, 2020. The Influence of Organizational Management of Employee Performance in Mediation by Competence. *International Journal of Science, Technology and Management*. ISSN: 2722-4015.
- Sugiyono, 2018. *Metodologi Penelitian Kuantitatif dan Kualitatif*. Penerbit Harvarindo, Jakarta.
- Taylor, Ian, 2015. *Measuring Competence for Recruitment and Development*. Penerbit BPFE, Yogyakarta.
- Werdhiastutie, A. et al. (2020). Achievement Motivation as Antecedents of Quality Improvement of Organizational Human Resources. *Budapest International Research and Critics Institute-Journal (BIRCI-Journal)* Volume 3, No 2, Page: 747-752.
- Widjaya, AW, 2016. *Perencanaan sebagai Manajemen administrasi*. Penerbit Rineka Cipta, Jakarta.