

THE IMPACT OF HUMAN RESOURCE QUALITY ON EMPLOYEE PERFORMANCE: THE ROLE OF MOTIVATION AND DISCIPLINE

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ABSTRACT

This study examines the implementation of the Public Service Mall (Mal Pelayanan Publik, MPP) in Tulang Bawang Regency as an innovation to enhance public service quality. Utilizing a qualitative research methodology and descriptive analysis, the study reveals that MPP has successfully streamlined bureaucratic processes, integrated various public services, and improved service accessibility and efficiency through both online and offline platforms, including the Online Single Submission (OSS) system. Despite these advancements, challenges such as internet connectivity issues and a lack of public awareness about online services persist. The study emphasizes the importance of infrastructure maintenance, budget allocation, and public education to sustain the improvements in service quality, measured through dimensions like reliability, responsiveness, and empathy.

Keywords: *Public Service Mall, Service Quality, Bureaucratic Streamlining, Online Single Submission, Public Awareness*

Introduction

In today's highly competitive business environment, the quality of human resources (HR) is increasingly recognized as a critical determinant of organizational success (Do et al., 2020; Prasetyo et al., 2019; Wilona & Defrizal, 2024). Companies are now more aware than ever that their ability to thrive in the marketplace is closely tied to the competencies, skills, and overall effectiveness of their workforce. As businesses strive to gain a competitive edge, they invest significantly in HR development to ensure their employees are equipped to meet evolving challenges and achieve strategic goals (del Mar Alonso-Almeida & Rodríguez-Antón, 2011; Tucker, 2018; Wu, 2023).

Despite the vast body of research on HR management, there remains a substantial gap in the literature regarding the direct influence of HR quality on employee performance (Kamal Parajuli et al., 2023; Susilawati et al., 2020; Werdhiastutie et al., 2020). This gap is particularly evident when considering the complex interplay of various factors that mediate this relationship, such as motivation and discipline. While previous studies have explored the importance of these mediating factors independently, there is a lack of comprehensive research that integrates them into a holistic framework to explain how HR quality translates into enhanced employee performance (Almawali et al., 2021; Hikmah Perkasa et al., 2023; Thuda et al., 2019).

This study aims to address this gap by specifically examining the impact of HR quality on employee performance within the context of CV. Satria Jaya Makmur, a company operating in [insert industry or sector]. The research will focus on understanding how motivation and discipline serve as critical mediators in this relationship. By exploring these dynamics, the study seeks to provide valuable insights into how organizations can leverage HR quality to drive performance improvements through strategic HR development initiatives.

The findings from this research are expected to contribute significantly to the field of HR management by offering a more nuanced understanding of the mechanisms through which HR quality influences employee outcomes. For practitioners, this study will provide actionable recommendations on how to enhance motivation and discipline within the workforce, ultimately leading to better overall performance and a stronger competitive position in the market.

Methodology

This study employs a descriptive quantitative research approach, designed to systematically quantify the relationships between variables and provide a detailed analysis of the impact of human resource (HR) quality on employee performance. To achieve this, Structural Equation Modeling (SEM) based on Partial Least Square (PLS) was utilized. This methodological choice is particularly suited for the study due to its capacity to handle complex, multi-variable relationship and its robustness in assessing the mediating effects of motivation and discipline (Alefari et al., 2020; Das et al., 2020). SEM-PLS is also well-suited for exploratory research where the theoretical framework is still developing, as it does not require stringent assumptions about data distribution and can effectively manage small to medium sample sizes (Barcia et al., 2022).

Data collection was conducted through a structured survey administered in November 2023 at CV. Satria Jaya Makmur, a company located in Kecamatan Seputih Mataram, Lampung Tengah. The survey instrument was meticulously designed to capture respondents' perceptions across several key constructs: HR quality, employee motivation, discipline, and overall employee performance. The questionnaire included items developed from validated scales in existing literature, adapted to fit the specific context of the organization under study. Respondents were asked to rate their agreement with statements using a Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree).

The collected data were then subjected to a rigorous process of validity and reliability testing. The constructs' validity was evaluated using Convergent and Discriminant Validity measures. Convergent validity was assessed through the Average Variance Extracted (AVE), ensuring that each construct adequately captured its intended domain. Discriminant validity was confirmed by ensuring that the square root of the AVE for each construct exceeded the correlations with other constructs, indicating that the constructs were distinct from one another.

Reliability analysis was conducted using Cronbach's Alpha and Composite Reliability (CR) coefficients. Cronbach's Alpha was employed to assess the internal consistency of the items within each construct, with a threshold of 0.70 considered acceptable for exploratory research. Composite Reliability, which provides a more nuanced understanding of construct reliability, was also calculated, with values above 0.70 indicating satisfactory reliability.

By employing these rigorous methodological steps, the study ensures that the findings are both valid and reliable, providing a solid foundation for analyzing the direct and indirect effects of HR quality on employee performance. The SEM-PLS approach enables the study to not only confirm the hypothesized relationships but also to uncover the underlying mechanisms through which HR quality impacts performance, particularly through the mediating roles of motivation and discipline.

Result and Discussion

Result

The analysis highlights the significant impact of HR quality on employee performance within CV. Satria Jaya Makmur. Using Structural Equation Modeling (SEM), it was found that HR quality is a strong predictor of employee performance, explaining 38.8% of its variance. This suggests that nearly 40% of the differences in employee performance can be directly attributed to variations in HR quality, underscoring the importance of well-developed and managed HR practices in fostering a high-performing workforce (Do et al., 2020; Prasetyo et al., 2019).

The study also revealed that motivation and discipline are significant mediators in the relationship between HR quality and employee performance. Specifically, HR quality accounted for 53% of the variance in employee motivation and 57.2% in discipline. These findings indicate that the impact of HR quality on performance is largely channeled through its ability to enhance employees' motivation and discipline (Kamal Parajuli et al., 2023; Susilawati et al., 2020).

Survey results show generally positive employee perceptions regarding entrepreneurship knowledge, motivation, discipline, and performance. The mean score for entrepreneurship knowledge was 3.81, indicating a moderate understanding of entrepreneurial roles. Motivation had a mean score of 4.24, reflecting strong motivational drivers, while discipline scored 4.21, indicating adherence to organizational standards (Almawali et al., 2021).

Interestingly, the mean score for performance was 3.86, slightly lower than those for motivation and discipline, suggesting that while employees are motivated and disciplined, other factors might be hindering optimal performance (Thuda et al., 2019).

Discussion

The findings highlight that the influence of HR quality on employee performance is primarily mediated through motivation and discipline. This underscores the importance of HR initiatives focusing on improving skills and competencies while creating an environment that motivates and fosters disciplined behavior. The strong correlation between HR quality and these mediators suggests that investments in HR development can significantly enhance employee outcomes (Do et al., 2020; Prasetyo et al., 2019).

The analysis of motivational factors, such as fulfilling family needs and gaining peer recognition, underscores their importance in driving employee performance. Employees are motivated by both intrinsic and extrinsic factors, aligning with theories suggesting that both play crucial roles in shaping behavior and performance outcomes (Hikmah Perkasa et al., 2023).

However, the study identified areas for improvement, particularly in accepting differing opinions, which scored lower. This indicates a potential weakness in fostering an inclusive and open work environment. By embracing diversity of thought and encouraging open communication, organizations can enhance problem-solving capabilities and foster a collaborative atmosphere, further boosting overall performance (Wilona & Defrizal, 2024).

These findings are consistent with existing literature on the role of motivation and discipline in enhancing performance, providing a quantitative demonstration of how HR quality influences these mediating factors. The results suggest that organizations should prioritize HR quality improvement to directly enhance performance and indirectly boost motivation and discipline (Werdhiastutie et al., 2020).

In conclusion, focusing on HR quality can lead to a more motivated and disciplined workforce, driving significant performance improvements. Additionally, addressing inclusivity and acceptance of differing opinions may unlock further potential, contributing to greater success in a competitive business environment (Wu, 2023).

Conclusion

This study concludes that improving HR quality has a significant positive impact on employee performance, mediated by motivation and discipline. Organizations like CV. Satria Jaya Makmur can benefit from investing in HR development strategies that enhance these mediators. The research highlights the critical role of fulfilling basic needs and recognition in motivating employees, while also pointing to the need for better interpersonal relationships and openness to diverse opinions.

Future research should explore the specific HR practices that most effectively enhance motivation and discipline, as well as investigate the role of other potential mediators. By addressing these areas, organizations can develop more targeted strategies to optimize employee performance and achieve sustainable success.

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