



Strategy To Improve Employee Performance

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ABSTRACT

Organizations can achieve success through their resources, especially human resources. Therefore, employees become the locomotor in making a real contribution to the organization's success on an ongoing basis. Of course, only employees with optimal performance achieve this success. However, to maximize employee performance, there must be a strategy to improve it. This study aims to determine how this strategy improves employee performance. The PLS-SEM approach was used in this study. The results of this study show that the roles of coaching, intrinsic motivation, and employee creativity can be driving forces in the strategy to optimally increase employee performance, either directly or indirectly.

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INTRODUCTION

This new understanding of competition has led to important organizational changes in human resource policies and practices. At this point, it is seen that a successful organization's life process depends on people's increasing importance. The efforts of a group or organization to achieve set goals are called performance. It can also be interpreted as the extent to which a given task is carried out appropriately and in line with the desired goals to be achieved by the group, individual, or organization. Performance describes the results of an activity determined to achieve a certain goal. On the other hand, performance indicates the level at which an individual, group, or institution can accomplish a job in quantity and quality (Haryadi et al., 2021; Wahyudi, 2021). Therefore, organizations can only succeed in direct proportion to their employees' performance. High-performance employees can improve organizational performance, increasing competitiveness, which is important for companies.

The biggest problem with human resources is the need to see and demonstrate the impact of sustainable competitive advantage on the organization's strategy as the main source. Strategy can be expressed as determining the goals and objectives of the organization, analyzing the relationship between the organization and its environment, reorganizing the activities required for the realization of these goals, and effectively distributing the needed resources in the long run. On the other hand, strategy is a management plan that aims to improve an organization's position in the market, customer satisfaction, and performance. In other words, companies that want to realize a high level of performance must determine a strategy. Efforts to create high-performing employees are influenced by many factors, such as motivation (Good et al., 2022; Wandi, 2022; Zheng et al., 2022),

leadership (Puspitasari et al., 2022; Siyal et al., 2021), job satisfaction (Alfarizi et al., 2022; Kania & Mudayat, 2022), and employee creativity (Ismail et al., 2019; Ximenes et al., 2019).

Organizations and employees in today's business need an expert, namely a coach, to achieve successful and high performance and manage change (Huflejt-Łukasik et al., 2022; Wahyudi et al., 2022). Coaching, a good tool for dealing with change, contributes to the need for change, sustainable development, and the support it provides at the individual level. The coaching approach is considered to create innovation to the organization and improve performance in weak areas. Strengthening the bond between managers and employees is likely to achieve a higher level of performance than traditional management approaches. At the same time, nowadays, creativity is prioritized in assessing the quality of an employee. This determines their possible future contribution to a common cause (Brennan & Hellbom, 2016). Individual creativity is the ability to solve problems, think differently, and see details that no one else can pay attention to. Creativity, as well as the ability to form new ideas, is considered one of the main aspects of effective company operations. This creative approach creates extraordinary solutions for various difficulties. However, creativity in teams sometimes needs to be encouraged. Therefore, the coaching approach is a possible step toward increasing employee creativity (Huflejt-Łukasik et al., 2022; Jones, 2022).

Human resources or employees are the most important resources owned by organizations. Motivating these resources will enable organizations to achieve their expected goals. Motivation can also be interpreted as the determination and formation of the elements necessary for employees to work voluntarily to achieve organizational goals or objectives and ensure efficiency. Providing the most effective efficiency depends on employee motivation. As in all sectors, employee motivation has a significant impact on the success of a company. Motivated employees will work more willingly and efficiently, positively reflecting business performance. Therefore, management should consider an approach to being able to provide motivation. This coaching pattern can form an impetus that allows employee creativity to emerge, and employee creativity can improve performance (Ismail et al., 2019; Ximenes et al., 2019).

RESEARCH METHOD

This study used a quantitative method with a PLS-SEM-based causality approach. This study was conducted at PT. MNC Sky Vision at the Marketing Department. A total of 59 samples were used. The data collection method was a questionnaire with a 7-point Likert scale, which was distributed online using Google Forms. The statement items used were adapted from various studies; coaching using 7 statement items (Pousa et al., 2017; Sidhu & Nizam, 2020) and Employee Creativity 5 items (Fischer et al., 2019; L. R. Shin & Hyun, 2019), Intrinsic Motivation 4 items (Moon et al., 2020; Y. Shin et al., 2019), and Employee Performance 5 items (Çetin & Aşkun, 2018; Yamin, 2020). The tool for processing data is with the help of the SmartPLS software version 4 (Ringle et al., 2022). The tests carried out were discriminant validity by looking at the loading factor, Cronbach's alpha, composite reliability, AVE, and R-Squares. In addition, the bootstrapping technique was used to see the effect, either directly or indirectly (Hair et al., 2017). The hypotheses of this study are as follows:

H1: Coaching can have a significant positive impact on employee creativity

H2: Coaching can have a positive and significant impact on intrinsic motivation

H3: Intrinsic motivation can affect employee creativity positively and significantly

H4: Employee creativity has a positive and significant impact on employee performance

H5: Employee creativity can mediate between coaching on employee performance in a positive and significant way

H6: Employee creativity can be a mediating variable between intrinsic motivation on employee performance in a positive and significant way

H7: Intrinsic motivation can mediate coaching on employee creativity positively and significantly

RESULTS AND DISCUSSIONS

The measurement model set to verify the scale of the employee performance variable, which is the dependent variable, consists of 5 items, and the variables that influence it are 7 items of coaching, 5 items of employee creativity, and 4 items of intrinsic motivation. Validity testing uses discriminant validity, where the value can be seen from the cross-loading value, while reliability testing can be seen from two tests: Cronbach's alpha and composite reliability.

Table 1. Outer model and inner model

Variable/Indicator	Cross Loadings				Cronbach Alpha	Composite Reliability	AVE	R-square
	CO	EC	IM	EP				
<i>Coaching (CO)</i>					0.815	0.886	0.592	
CO1	0.640	0.328	0.381	0.401				
CO2	0.629	0.370	0.256	0.642				
CO3	0.775	0.372	0.342	0.555				
CO4	0.646	0.444	0.139	0.480				
CO5	0.803	0.648	0.583	0.790				
CO6	0.720	0.565	0.482	0.586				
CO7	0.844	0.554	0.422	0.694				
<i>Employee Creativity (EC)</i>					0.797	0.859	0.552	0.514
EC1	0.501	0.721	0.286	0.457				
EC2	0.341	0.633	0.246	0.499				
EC3	0.519	0.831	0.462	0.626				
EC4	0.429	0.726	0.431	0.624				
EC5	0.651	0.790	0.622	0.685				
<i>Intrinsic Motivation (IM)</i>					0.876	0.915	0.731	0.301
IM1	0.550	0.543	0.761	0.638				
IM2	0.443	0.383	0.875	0.430				
IM3	0.385	0.394	0.860	0.450				
IM4	0.458	0.517	0.915	0.609				
<i>Employee Performance (EP)</i>					0.831	0.879	0.595	0.625
EP1	0.551	0.375	0.252	0.648				
EP2	0.595	0.657	0.461	0.758				
EP3	0.663	0.621	0.610	0.861				
EP4	0.656	0.756	0.523	0.827				
EP5	0.694	0.539	0.545	0.744				

Table 1 shows that the discriminant validity value in the cross-loading column meets the discriminant validity criteria. Discriminant validity is characterized by the value of a different construct that is not highly correlated (Rasoolimanesh, 2022). Furthermore, in reliability testing, it can be seen from Cronbach's alpha and composite reliability tests that the rule of thumb of reliability testing is that the value must be more than 0.70 (Yusoff et al., 2020). Table 1 shows that all variables met the reliability criteria, where the values ranged from 0.797-0.876 for Cronbach's alpha value and composite reliability ranging from 0.859-0.915. Then, the Average Variance Extracted (AVE) value must be greater than 0.50 (Henseler et al., 2016). Table 1 in the AVE column shows that this is the recommended value. Furthermore, R-squared shows the contribution of variables that affect the dependent variable. Hair et al. (2019) explain the criteria from the R-square where 0.75 can be said to indicate substantial, 0.50 moderate, and 0.25 weak. Table 1 in the R-square column shows that two variables (EC and EP) are said to be moderate, while IM is weak. The relationships between the variables are shown in Figure 1.

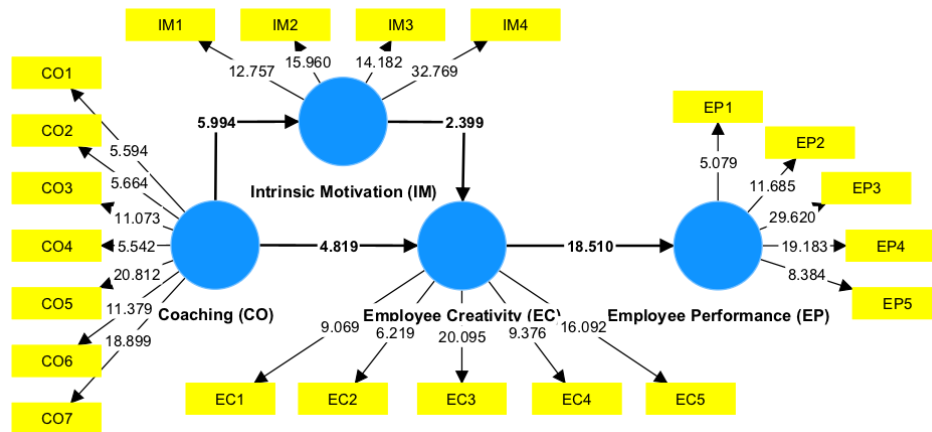


Figure 1. Research Model

Figure 1 illustrates the research model used in this study. This provides a view describing the relationship between each research variable. Next, the results are presented in Table 2 to determine the correlation and influence of each relationship, either directly or indirectly.

Table 2. Bootstrapping

	Original sample	T statistics	P values	Result
<i>Direct Effect</i>				
CO -> EC	0.508	4.819	0.000	Accepted
CO -> IM	0.548	5.994	0.000	Accepted
IM -> EC	0.300	2.399	0.016	Accepted
EC -> EP	0.790	18.510	0.000	Accepted
<i>Indirect Effect</i>				
CO -> EC -> EP	0.401	4.475	0.000	Accepted
IM -> EC -> EP	0.237	2.303	0.021	Accepted
CO -> IM -> EC	0.164	2.100	0.036	Accepted

Table 2 shows the relationship or hypothesis in this study, where, from all the proposed hypotheses, it explains that all are accepted, even though the effects are positive and significant, both in direct and indirect effects. Coaching positively and significantly affects employee creativity ($\beta = 0.508$, $t = 4.819$, $p < 0.05$). Furthermore, coaching had a positive and significant effect on intrinsic motivation ($\beta = 0.548$, $t = 5.994$, $p < 0.05$), and intrinsic motivation had a positive and significant effect on employee creativity ($\beta = 0.300$, $t = 2.399$, $p < 0.05$). Employee creativity positively and significantly affected employee performance ($\beta = 0.790$, $t = 18.510$, $p < 0.05$). The mediation test stated that employee creativity can positively and significantly mediate coaching and employee performance ($\beta = 0.401$, $t = 4.475$, $p < 0.05$), and employee creativity can positively mediate intrinsic motivation and employee performance, and significant ($\beta = 0.237$, $t = 2.303$, $p < 0.05$). On the other hand, intrinsic motivation can be a positive and significant mediator on coaching and employee creativity ($\beta = 0.164$, $t = 2.100$, $p < 0.05$).

To develop creativity in the organization, all employees should be encouraged to develop new ideas and present these ideas without hesitation. To prevent creativity levels from decreasing over time, employees should be empowered and allowed to work by making decisions within certain limits. In addition, communication for employees must be of higher quality, messages that will cause emotional reactions such as anxiety must be avoided, employees must be offered a business environment that is free from danger, and employees must be trusted to achieve success.

Individuals with high creativity will prefer to engage in behavior because they will be confident in their knowledge and skills in generating and implementing ideas in the workplace. In

addition, they feel better equipped to resolve the challenges and uncertainties they face while developing and implementing new ideas in the workplace. They can use new methods or equipment or develop new ideas useful for the job. Moreover, these individuals can develop creative solutions to problems and find support for their ideas and develop adequate plans for implementing ideas. The coaching approach can help employees generate creativity and increase their intrinsic motivation. Furthermore, intrinsic motivation can trigger employee creativity (Fischer et al., 2019; Karimi et al., 2022; Zhu et al., 2018). Creativity can significantly affect employee performance (Ismail et al., 2019; Ximenes et al., 2019). Furthermore, as a human component, employee creativity contributes to improving employee performance, providing opportunities for improving the organization as a whole.

CONCLUSION

For organizations to be successful, they must integrate multiple functions and make maximum use of these functions. Among the effective management systems, the importance of human resources is increasing. Employee performance is one of the most important factors that influence success. Therefore, human resource management in an organization has become one of the most important functions of a company. Strategies that can be applied to create superior work performance include coaching, intrinsic motivation, and employee creativity. In this context, this study is expected to make a theoretical contribution to the literature.

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