

THE EFFECT OF HIGH PERFORMANCE WORK SYSTEMS ON EMPLOYEE PERFORMANCE WITH WORK ENGAGEMENT AS A MODERATING VARIABLE

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Abstract

This research is a quantitative study with an explanatory approach, namely an approach that only relies on previous similar studies as a starting point to find elements of novelty in the research being conducted. The data used in this article is primary data that researchers obtained from the results of distributing questionnaires to 300 PT employees KAI spread throughout Indonesia. The questionnaire contains statements of agree, strongly agree, normal/so-so, disagree, and strongly disagree. The data obtained were analyzed using the smart PLS 4.0 analysis tool. that each variable used in this study has been successfully proven and accepted. This is because the first row of the third table of the Path Coefficients above has a positive relationship direction and a significant influence because it is below the significance level of 0.05, namely 0.035. This is because the higher the performance of the Work System, the easier it is for employees to complete their work. In addition, the next row of the third table of the Path Coefficients above also shows the same intent and purpose where the P-Values are positive and also below the significance level of 0.05, namely 0.007. This is because the more often employees are involved in a job, the more employees become accustomed to challenges and can continue to evaluate themselves so that the results of their work can be better over time. Thus it can be concluded that the first and second hypotheses in this article can be proven and accepted.

Keywords: High Performance Work Systems, Employee Performance , Work Engagement

INTRODUCTION

According to Mangkunegara in (Saputra 2020) employee performance is the work results in terms of quality and quantity achieved by an employee in carrying out his duties in accordance with the responsibilities given to him. According to (Rum, Sendow, and Pandowo 2019) explains that performance is the work results or work achievements of a person or group of people in achieving organizational goals. In addition, (Amri et al. 2022) is of the opinion that employee performance is the ability of employees to carry out a certain expertise in carrying out the tasks given to them.

Based on several definitions above, it can be concluded that performance is a result of work or work achievement of a person or group of people, both in quality and

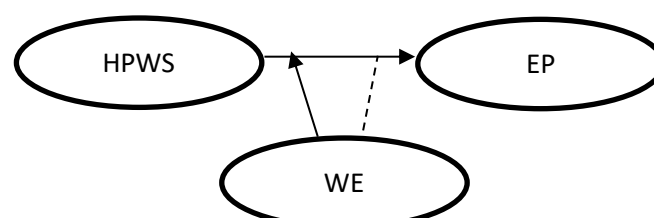
quantity, in carrying out the tasks given to them according to their expertise to achieve company goals (ASLIA 2019). According to (Setiawan 2015), there are several factors that influence employee performance as follows: 1) Ability, personality and work interest. 2) Clarity and acceptance, is the level of understanding and acceptance of employees for the tasks given to them. 3) Level of employee motivation, is an employee's effort to improve their performance. 4) Competence, namely the skills possessed by employees. 5) Work facilities, namely a set of supporting tools for the smooth operation of the company. 6) Work culture is the work behavior of creative and innovative employees. 7) Leadership, namely the behavior of leaders in directing employees in doing work. 8) Work discipline, namely the rules made by the company so that all employees can comply with them so that company goals can be achieved.

There are several things that can affect Employee Performance, one of which is the High Performance Work System. HPWS is defined as a consistent and internally coherent human resource (HR) practice designed to improve employee competence, motivation, and commitment (Aryee 2012). (Colakoglu 2006) defines HPWS as a combined HR activity such as staffing, performance management, and intellectual capital retention. (Takeuchi 2007) argue that HPWS is an HR management practice designed to improve employee and company performance outcomes, through increased employee competition, motivation, and attitudes. HPWS is a design of an HR practice system to improve employee skills, commitment, and performance (Boxall 2007). (Chang 2011) state that HPWS refers to human resource (HR) practices including rigorous and selective staffing, extensive training and development, incentive compensation, and merit-based performance appraisals, designed to improve employee competence, motivation, opportunities to contribute, and improve employee and organizational performance.

According to (Evans 2005) HPWS consists of HR practices that are internally congruent (horizontal alignment) and goals that are externally congruent with the organization (vertical alignment). HPWS is used as a means to maximize the company's competitive advantage (Bakker 2012). There are a number of previous studies (Paramanandana and Kistyanto 2021); (Fadila and Uliani 2020) & (Ghautama 2019). Unlike the three studies above, this study adds the Work Engagement variable as a moderating variable which is believed to strengthen the influence of the High Performance Work System variable on Employee Performance.

METHODS

Figure 1
Model Research



Hypothesis:

HPWS : High Performance Work System

EP: Employee Performance

WE: Work Engagement

The first image above shows that the main objective and the most fundamental thing in this article is that the researcher analyzes the effect of the High Performance Work System variable on Employee Performance. This main objective is in line with several previous studies, namely (Paramanandana and Kistyanto 2021); (Fadila and Uliani 2020) & (Ghautama 2019). Unlike the three studies above, this study adds the Work Engagement variable as a moderating variable which is believed to be able to influence the High Work Performance variable on Employee Performance (Yulianti et al. 2022). This research is a quantitative study with an explanatory approach, namely an approach that only relies on previous similar studies as a starting point to find elements of novelty in the research being conducted (Bakker 2012). The data used in this article is primary data that researchers obtained from the results of distributing questionnaires to 300 PT employees KAI spread throughout Indonesia (Nugroho and Ratnawati 2021). The questionnaire contains statements of agree, strongly agree, normal/so-so, disagree, and strongly disagree (Retno and Utari 2023). The data obtained were analyzed using the smart PLS 4.0 analysis tool with the following hypothesis (Parkes 2008).

Hypothesis:

H1: The Influence of High Performance Work System on Employee Performance

H2: Work Engagement Can Moderates The Influence of High Performance Work System on Employee Performance

RESULT AND DISCUSSION**Background Analysis**

According to Mangkunegara in (Saputra 2020) employee performance is the work results in terms of quality and quantity achieved by an employee in carrying out his duties in accordance with the responsibilities given to him. According to (Rum, Sendow, and Pandowo 2019) explains that performance is the work results or work achievements of a person or group of people in achieving organizational goals. In addition, (Amri et al. 2022) is of the opinion that employee performance is the ability of employees to carry out a certain expertise in carrying out the tasks given to them.

Based on several definitions above, it can be concluded that performance is a result of work or work achievement of a person or group of people, both in quality and quantity, in carrying out the tasks given to them according to their expertise to achieve company goals (ASLIA 2019). According to (Setiawan 2015), there are several factors

that influence employee performance as follows: 1) Ability, personality and work interest. 2) Clarity and acceptance, is the level of understanding and acceptance of employees for the tasks given to them. 3) Level of employee motivation, is an employee's effort to improve their performance. 4) Competence, namely the skills possessed by employees. 5) Work facilities, namely a set of supporting tools for the smooth operation of the company. 6) Work culture is the work behavior of creative and innovative employees. 7) Leadership, namely the behavior of leaders in directing employees in doing work. 8) Work discipline, namely the rules made by the company so that all employees can comply with them so that company goals can be achieved.

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Validity Test

Uji Validitas merupakan tahapan yang paling awal dan wajib dilalui untuk menuju tahapan yang terakhir yakni Koefisien Jalur. Tahapan uji validitas memastikan data-data yang didapatkan dari 300 karyawan PT. KAI yang tersebar diseluruh penjuru Indonesia valid. Berikut hasil uji validitas dalam artikel ini (Hair 2010):

Table 1
Validity Test

| Variable | Question Item | Loading Factor |
|----------|---------------|----------------|
|----------|---------------|----------------|

| | | |
|-----------------------------------|---|-------|
| High Performance Work System (X1) | High Performance Work System can affect Employee Performance | 0.876 |
| | High Performance Work System can improve Company Performance | 0.869 |
| | High Performance Work System can be influenced by Employee Involvement | 0.859 |
| | High Performance Work System can make existing targets in the company easy to achieve | 0.866 |
| Employee Performance (Z) | Employee Performance can be influenced by High Performance Work System | 0.852 |
| | Employee Performance can be higher if every existing target is easy to achieve | 0.885 |
| | Employee Performance is achieved if employees are involved more often | 0.924 |
| | Employee Performance can go hand in hand with Company Performance | 0.892 |
| Work Engagement (Z) | Employee Involvement can strengthen the influence of High Performance Work System on Employee Performance | 0.965 |
| | Employee Involvement can affect Employee Performance | 0.978 |

Valid > 0.70

Reliability Test

300 data obtained by researchers through the distribution of online questionnaires to employees of PT. Mkereta Api Indonesia are confirmed to be valid and can be continued to enter the next gate, namely the reliability test stage. Unlike the

validity test stage, the reliability test stage focuses on each variable used in this article. The following are the results of the reliability test in this article (Sarstedt et al. 2014):

Table 2
Reliability Test

| Variable | Composite Reliability | Cronbach Alfa | Noted |
|------------------------------|-----------------------|---------------|----------|
| High Performance Work System | 0.879 | 0.840 | Reliable |
| Employee Performance | 0.945 | 0.904 | Reliable |
| Work Engagement | 0.987 | 0.946 | Reliable |

Reliable > 0.70

Path Coefisien

The last stage and the main core of this article is the path coefficient stage which ensures that each hypothesis used in this article, namely the High Performance Work System variable can affect Employee Performance and the Work Engagement variable can moderate the influence of the High Performance Work System variable on Employee Performance. The following are the results of the path coefficient in this article (Hair 2010):

Table 3
Path Coefisien

| | Variable | P-Values | Noted |
|---------------------------|--------------|----------|----------|
| Direct Influence | HPWS->EP | 0.035 | Accepted |
| Indirect Influence | WE* HPWS->EP | 0.007 | Accepted |

Significant Level < 0.05

The third table of Path Coefficients above shows that each variable used in this study has been successfully proven and accepted. This is because the first row of the third table of the Path Coefficients above has a positive relationship direction and a significant influence because it is below the significance level of 0.05, namely 0.035. This is because the higher the performance of the Work System, the easier it is for employees to complete their work. These results are in line with a number of previous studies (Paramanandana and Kistyanto 2021); (Fadila and Uliani 2020) & (Ghautama 2019). In addition, the next row of the third table of the Path Coefficients above also shows the same intent and purpose where the P-Values are positive and also below the significance level of 0.05, namely 0.007. This is because the more often employees are involved in a job, the more employees become accustomed to challenges and can continue to evaluate themselves so that the results of their work can be better over time. Thus it can be concluded that the first and second hypotheses in this article can be proven and accepted.

CONCLUSION

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