The Role of Electronic Human Resource Management (E-HRM) and Career Planning on the Performance of Bank Employees in South Tangerang

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ABSTRACT

The success of an organization cannot be separated from the improvement of human resources. This study aims to analyze the effect of the electronic human resource management (E-HRM) variable on the Bank's Employee Performance, analyze the Bank's career planning process on the Bank's employee performance. The research was conducted using a quantitative approach through a survey. The population of this study were all employees, while the number of samples in this study were 300 people using simple random sampling. Testing the hypothesis in this study using SEM (Structural Equation Modeling) with the PLS program. The research data was obtained through the distribution of online questionnaires. The results of this study indicate that there is a direct influence between electronic human resource management (E-HRM) on the performance of bank employees, there is a direct influence between career planning on employee performance. Based on the research results, it is hoped that all bank management will make clear career plans for their employees so that they are more enthusiastic in working and will lead to job satisfaction which will ultimately improve their performance and implement Electronic Human Resource Management (E-HRM) to improve employee performance.

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Keywords: Career Planning, Employee Performance, Electronic Human Resource Management, Bank

I. Introduction

The world of work in the current era of globalization is in dire need of human resources who think ahead, are intelligent, innovative and are able to work with high spirits in the face of the progress of the times. Various organizations are trying to improve the performance of their employees with the aim of achieving their survival. Human resources, which in this case are employees in an organization, of course try to work with the abilities they have in order to achieve the desired performance of the organization. Employee performance is basically influenced or determined by various factors, including work discipline, career planning and competence. Work discipline is one of the important aspects in the work system that must be considered by an organization or company to improve the performance and productivity of its employees. Employees who are not disciplined will damage the work system and can have a negative impact on their performance and organizational performance. Every employee wants a career that develops in the organization where he works. Career planning in the context of human resource management starts from the basic assumption that someone who starts working after placement in an organization will continue to work with the organization during his active period until he enters retirement age. This means he wants to pursue a career in the organization. This it is important for organizations to make career plans for their employees so that they can perform well. The rapid development of technology and the increasingly complex business competition demands a greater role of Human Resource Management in developing the competence of its employees, because the demand for labor with certain competency standards is also increasing. These changes in the business environment have led
to the recognition of the importance of human resource competencies as a source of organizational competitive advantage

Performance is a well-known term in management, where the term performance is defined as a term for work results, work performance and performance. One of the things that can be used as a parameter about the quality of human resources is the level of performance that exists in these human resources. Stated the importance of performance appraisal means evaluating the current and/or past performance of employees relative to their performance standards and performance management as a process of consolidating goal setting, assessment and performance development into a single joint system, which aims to ensure employee performance supports the company’s strategy. Therefore, organizations must be able to maintain and improve performance and maximize the potential of these human resources. The problem of employee performance is a problem that will always be faced by management in every company, therefore management needs to know the factors that affect the performance of these employees. After that the company can take the necessary policies, so as to improve employee performance in accordance with the goals and expectations of the company. In achieving the goals required contribution of employee performance. To improve employee performance is through career planning, training and career development of employees. The company has the goal of increasing profits and existence in order to improve employee performance. As for employees, it is for the improvement and improvement of the quality of life as well as being given the opportunity to advance and develop in their careers. The current phenomenon in banks is the issue of business development facing the MEA and facing the challenges of the digital economy and aligning with the government’s digital economy program. When the MEA takes place, it will be the employees who will be competing. For this reason, it is necessary to prepare provisions for employees to face competition and what will be the key in facing the MEA is labor skills. Why? products and services are easy to imitate, in contrast to HR. That is why it is necessary to have great attention on HR performance. Many factors affect performance, in this case it can be ascertained that employees who have mature career planning, training and career development will stay in the company, while employees who choose to move to other companies are a symptom of weak attention to career planning, training and career development of employees within the company.

II. Method

The research was conducted using a quantitative approach through a survey. The population of this study were all employees, while the number of samples in this study were 300 people using simple random sampling. Testing the hypothesis in this study using SEM (Structural Equation Modeling) with the PLS program. The research data was obtained through the distribution of online questionnaires. The instrument will be measured using a Likert scale with intervals of 1 to 5. A scale of 1 to 2 explains that respondents do not agree with the statements contained in the questionnaire ranging from strongly disagree (1), to disagree (2). Meanwhile, scale 3 explains that respondents are neutral to the questions contained in the questionnaire. On the other hand, scales of 4 and 5 explain that respondents agree with the statements contained in the questionnaire, ranging from agree (4) to strongly agree (5). Data analysis was carried out using the Partial Least Square (PLS) method using SmartPLS version 3. PLS is a method of solving Structural Equation Modeling (SEM) which in this case is more than other SEM techniques. SEM has a higher degree of flexibility in research that connects theory and data, and is able to perform path analysis with latent variables so it is often used by researchers focusing on social sciences. In this study, data analysis used the Partial Least Square (PLS) approach using smartPLS software. Partial Least Square (PLS) is a structural equation model (SEM) based on variance components. The PLS approach is distribution free (not using certain distributed data, which can be in the form of nominal, categorical, ordinal, interval or ratio. In addition, PLS can also be used to measure small samples. The following are the steps for using the Least Square (PLS) approach using smartPLS software: Validity test used to assess whether or not a questionnaire is valid. A questionnaire is said to be valid if the questions the questionnaire is able to reveal something that is measured by the questionnaire. Validity testing is applied to all question items in each variable. There are several stages of testing to be carried out, namely through convergent validity, average variance extracted (AVE), and discriminant validity. a. Content Validity The validity of the questionnaire can be obtained by using a questionnaire that has been
widely used by researchers. The questionnaire used in this study is the result of a literature study with modifications as necessary to avoid the tendency of respondents to certain preferences.

The hypothesis in this study is

H1: electronic human resource management (E-HRM) has a positive and significant effect on the performance of bank employees in South Tangerang.

H2: Career planning influences the role of Electronic Human Resource Management (E-HRM) on the performance of bank employees in South Tangerang

![Fig. 1. Research Model](image)

III. Result

In this study, data analysis uses the Partial Least Square (PLS) approach using smartPLS software. Partial Least Square (PLS) is a structural equation model (SEM) based on variance components. The PLS approach is distribution free (does not use data with a certain distribution, it can be in the form of nominal, category, ordinal, interval or ratio). In addition, PLS can also be used to measure small samples. The following are the stages of using the Least Square (PLS) approach using the smartPLS software: Validity test is used to assess whether a questionnaire is valid or not. A questionnaire is said to be valid if the questionnaire questions are able to reveal something that is measured by the questionnaire. Validity testing is applied to all question items in each variable. There are several stages of testing to be carried out, namely through convergent validity, average variance extracted (AVE), and discriminant validity.

a. Content Validity The validity of the questionnaire can be obtained by using a questionnaire that has been widely used by researchers. The questionnaire used in this study is the result of a literature study with modifications as necessary to avoid the tendency of respondents to certain preferences.

Convergent Validity

This convergence measurement shows whether each question item measures the similarity of the dimensions of the variable. Therefore, only the question items have a high level of significance, which is greater than 42 times the standard error in the measurement of the research variable question items. Convergent validity can be met when each variable has an AVE value above 0.5, with the loading value for each item also has a value greater than 0.5.
Based on the table above, it can be seen that the results have met convergent validity because all loading factors > 0.5. Thus, it can be concluded that the convergent validity of all groups of endogenous constructs is valid. The discriminant validity test can be met if the correlation value of the variable to the variable itself is greater than the correlation value of all other variables. In addition, another way to fulfill the discriminant validity test can be seen in the cross loading value, if the cross loading value of each variable statement item to the variable itself is greater than the correlation value of the statement item to other variables (Ghozali, 2012). This validity test is to assess the validity of the question items by looking at the average variance extracted (AVE) value. AVE is the average percentage value of variance extracted (AVE) between question items or indicators of a variable which is a summary of the convergent indicator. For good requirements, if the AVE of each question item is greater than 0.5.

Based on the table, the loading factor value for each indicator of each latent variable has the largest loading factor value compared to the loading factor value when associated with other latent variables. This means that each latent variable has good discriminant validity. In general, reliability is defined as a series of tests to assess the reliability of statement items. Reliability test is used to measure the consistency of measuring instruments in measuring a concept or measuring the consistency of respondents in answering statement items in questionnaires or research instruments. To test the reliability can be done through composite reliability, a variable can be said to be reliable when it has a composite reliability value of 0.7.

Table 1. Reliability test

<table>
<thead>
<tr>
<th></th>
<th>Alpha Cronbach</th>
<th>rho_A</th>
<th>Composite reliability</th>
<th>(AVE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>e-HRM</td>
<td>0.809</td>
<td>0.876</td>
<td>0.844</td>
<td>0.876</td>
</tr>
<tr>
<td>Career planning</td>
<td>0.965</td>
<td>0.812</td>
<td>0.887</td>
<td>0.784</td>
</tr>
<tr>
<td>Employee Performance</td>
<td>0.876</td>
<td>0.989</td>
<td>0.983</td>
<td>0.755</td>
</tr>
</tbody>
</table>
Based on the table, the value of performance is 86.8% can be explained in this model, while the performance variable can be explained at 86.8% by this research model. Hypothesis testing using full model structural equation modeling (SEM) analysis with smartPLS. In the full model, structural equation modeling, in addition to confirming the theory, also explains whether or not there is a relationship between latent variables. Hypothesis testing by looking at the calculated value of the Path Coefficient on the inner model test.

<table>
<thead>
<tr>
<th>Hypothesis Test</th>
<th>Nilai P</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>E-HRM -&gt; Employee Performance</td>
<td>0.000</td>
<td>Significant</td>
</tr>
<tr>
<td>Career Planning -&gt; Employee Performance</td>
<td>0.000</td>
<td>Significant</td>
</tr>
</tbody>
</table>

The hypothesis is said to be accepted if the T statistical value is greater than T table 1.96 (α 5%) which means that if the T statistical value for each hypothesis is greater than T table then it can be declared accepted or proven.

Fig. 3. Hypothesis Testing

The Role of Electronic Human Resource Management (E-HRM) Performance

Based on the results of data processing, a p value of 0.000 < 0.050 was obtained so that it was concluded that electronic human resource management (E-HRM) had an effect on the performance of bank employees in South Tangerang, which states that electronic human resource management (E-HRM) has an effect on employee performance

Based on the results of data processing obtained p value of 0.000 < 0.050 so it can be concluded that career planning affects the performance of bank employees in South Tangerang. The Effect of Career Planning on Employee Performance The results show that career planning has a positive and
significant effect on the performance of Bank employees. It is shown by the awareness of the Bank’s employees regarding their potential ability to be very good, the interests and intentions of employees to advance their careers are very good, the motivation of employees to achieve their career success is very good, and the information and career choices of employees are good. Employee career planning has been well proven in this research. This indicates that career planning results in increased employee performance. Or in other words, the higher the career planning, the higher the employee's performance.

Career planning is a plan about the possibilities of a member of the organization as an individual to be able to go through the process of promotion and position in accordance with the requirements and abilities. Career Planning is a considerate process when a person has an understanding of skills, knowledge, motivation, and other personal characteristics and establishes an action plan to achieve specific goals. Career planning is very important for an institution as a form of work motivation for employees so that employees are more enthusiastic in work which will ultimately improve the performance of the employee. Career planning makes employee performance more focused and focused because employees know better what targets or goals they want to pursue to get a position above it. The results of this study indicate that career planning has a positive and significant effect on employee performance.

A good organization must have a career plan for its employees. Employee performance will increase if they are involved in the career planning of the organization where they work, because they will work with passion in achieving the highest possible career.

IV. Conclusion

Based on the results of data analysis, it is concluded that electronic human resource management (E-HRM) has an effect on the performance of bank employees in South Tangerang and career planning has an effect on employee performance. Based on the results of research and discussion that have been stated previously regarding Career Planning, Training and Career Development on Performance, the following conclusions are obtained: Career Planning has a positive and significant effect on Employee Performance. Employee career planning is good. This shows that career planning results in increased employee performance. Or in other words, the higher the career planning, the higher the employee's performance. Training has a positive and significant effect on employee performance. Employee training is good so that it affects the resulting performance is also good. This shows that the provision of training will have an effect on increasing employee performance. The higher the training carried out by the employee, the higher the employee's performance. Career Development has a positive and significant effect on Employee Performance. Employee career development has been good so that the effect on the resulting performance is also good. This shows that career development has an effect on increasing employee performance.

References


Hamsinah (The Role of Electronic Human Resource Management (E-HRM) and Career Planning on the Performance of Bank Employees in South Tangerang)