

The Influence Of Leadership And Competency Development On Employee Performance At Pt Sustraco Adikreasi

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Abstract

This study aims to determine the effect of leadership and competency development on employee performance at PT. Sustraco Adikreasi. Leadership and competency development are two essential aspects of human resource management believed to contribute to optimal performance improvement. This research uses a quantitative method with an associative approach. Data were collected through questionnaires distributed to all employees, totaling 40 respondents, using a census sampling technique. The results of data analysis show that neither leadership nor competency development has a significant partial effect on employee performance. However, when tested simultaneously, both variables have a significant influence on employee performance. This indicates that leadership and competency development can contribute positively to improving performance when implemented synergistically. Therefore, the company needs to develop an integrated strategy to enhance leadership quality and the effectiveness of competency development programs to achieve sustainable employee performance improvement.

Keywords: Leadership, Competency Development, Employee Performance

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INTRODUCTION

In today's highly competitive business environment, companies must continually improve their internal resources, particularly human resources, to maintain organizational sustainability and performance. Human resources are no longer perceived merely as operational workers, but rather as strategic assets that can determine a company's success or failure (Robbins & Judge, 2019). Among the various aspects of human resource management, leadership and competency development stand out as two of the most influential factors in shaping employee performance.

Leadership refers to the ability of an individual to influence, motivate, and enable others to contribute toward the effectiveness and success of the organization. According to Yukl (2013), effective leadership is not just about issuing commands, but about inspiring and guiding team members to achieve common goals. Leaders are expected to create a vision, motivate subordinates, build trust, and promote productivity through ethical and inclusive behaviors.

Various leadership styles—transformational, transactional, and democratic—have different impacts on employee outcomes. Transformational leadership, in particular, has been shown to foster innovation, commitment, and job satisfaction, which ultimately enhance performance (Bass & Avolio, 2000). However, leadership

cannot operate effectively in a vacuum; it must be supported by systematic efforts in developing employee competencies.

Competency development refers to the process of improving the knowledge, skills, and attitudes of employees to meet current and future job requirements. According to Spencer and Spencer (2008), competencies are the underlying characteristics that lead to superior performance. These can be developed through training, coaching, mentoring, and continuous learning initiatives, all of which aim to bridge performance gaps and prepare employees for higher responsibilities.

The importance of competency development is also emphasized by Noe (2017), who argues that continuous learning is key to maintaining workforce agility in the face of technological change and market volatility. Therefore, organizations must invest in structured training programs and ensure alignment between employee development and strategic goals.

Performance itself is a multidimensional construct involving both behavioral and outcome-related aspects. As stated by Mangkunegara (2017), employee performance is the result of work achieved by an individual in accordance with job requirements. It includes indicators such as work quality, quantity, punctuality, and collaboration.

Empirical studies show mixed results regarding the impact of leadership and competency development on performance. Some studies affirm a positive relationship between leadership style and job performance (Goleman, 2000), while others highlight the mediating effect of employee motivation and job satisfaction. Similarly, the success of competency development programs is often influenced by organizational support, learning culture, and employee engagement (Ulrich et al., 2012).

PT Sustraco Adikreasi, as a company engaged in creative engineering services, recognizes the strategic role of human capital. With increasing client demands and tight project deadlines, the performance of employees becomes a critical success factor. Preliminary observations indicate that while leadership initiatives and training programs are in place, employee performance has not yet reached the expected targets.

This study is thus motivated by the need to empirically examine whether leadership and competency development significantly influence employee performance at PT Sustraco Adikreasi. It aims to address a key managerial question: are the current leadership approaches and training efforts sufficient to drive performance improvement? Through a structured analysis of these relationships, the research is expected to contribute both theoretically and practically – advancing the discourse on human resource effectiveness and offering actionable insights for company management.

METHODOLOGY

This research employed a quantitative method with an associative approach to analyze the relationship between leadership, competency development, and employee performance at PT Sustraco Adikreasi. The purpose of the study was to determine both the partial and simultaneous effects of the independent variables on the dependent variable.

The population in this study consisted of all employees at PT Sustraco Adikreasi, totaling 40 individuals. Due to the manageable size of the population, the researcher used a census technique, meaning the entire population was sampled. This

approach ensured that all perspectives within the organization were represented in the analysis.

Primary data were obtained through a structured questionnaire using a Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). The questionnaire was divided into three sections corresponding to the three research variables: leadership, competency development, and employee performance. Prior to distribution, the questionnaire was tested for validity and reliability to ensure the accuracy and consistency of the instrument.

The validity test was carried out using the Pearson correlation method, while the reliability was measured using Cronbach's Alpha. Both tests confirmed that the questionnaire items met acceptable thresholds, indicating that the instrument was both valid and reliable for data collection.

Data analysis was conducted using SPSS version 25.0. The analytical techniques used included descriptive statistics, classical assumption tests (normality, multicollinearity, heteroscedasticity), and multiple linear regression analysis. The significance of each independent variable was tested using the t-test, while the simultaneous effect was examined using the F-test. The coefficient of determination (R^2) was used to measure the extent to which leadership and competency development explained variations in employee performance. This methodological approach was chosen to provide a clear and statistically robust examination of how leadership and competency development interact to affect employee performance. The findings are expected to support evidence-based human resource strategies at PT Sustraco Adikreasi.

RESULTS AND DISCUSSION

This section presents the results of the statistical analysis including validity, reliability, classical assumption tests, and multiple regression analysis to determine the effects of leadership and competency development on employee performance.

Table 1. Validity Test Results for Research Instruments

Variable	Statement Code	r-count	r-table	Validity
Leadership	X1.1	0.624	0.312	Valid
	X1.2	0.598	0.312	Valid
	X1.3	0.649	0.312	Valid
	X1.4	0.701	0.312	Valid
Competency Development	X2.1	0.715	0.312	Valid
	X2.2	0.668	0.312	Valid
	X2.3	0.723	0.312	Valid
	X2.4	0.690	0.312	Valid
Employee Performance	Y1	0.734	0.312	Valid
	Y2	0.756	0.312	Valid
	Y3	0.780	0.312	Valid
	Y4	0.801	0.312	Valid

Source: SPSS Output (2024)

Table 2. Reliability Test Results

Variable	Cronbach's Alpha	Interpretation
Leadership	0.842	Reliable
Competency Development	0.856	Reliable
Employee Performance	0.874	Reliable

Source: SPSS Output (2024)

Table 3. Regression Analysis Summary

Model	Unstandardized Coefficients (B)	t-count	Sig. (p-value)
Constant	11.215	-	-
Leadership (X1)	0.221	1.487	0.145
Competency Dev. (X2)	0.188	1.204	0.236
R ²	0.247	-	-
F-count	5.704	-	0.007

Source: SPSS Output (2024)

The results of the validity test using Pearson correlation showed that all questionnaire items had a correlation coefficient (r-value) greater than the critical value of r-table (0.312) at a significance level of 5%. This confirms that each item in the questionnaire was valid and could be used in the analysis.

For the reliability test, the Cronbach's Alpha values for the leadership variable, competency development, and employee performance were 0.842, 0.856, and 0.874 respectively. These values exceeded the minimum acceptable threshold of 0.70, indicating that the instrument used in this study is reliable.

The results of the classical assumption tests showed that the data met all necessary requirements. The normality test using the Kolmogorov-Smirnov method indicated a significance value of 0.200, meaning the data are normally distributed. The multicollinearity test showed tolerance values above 0.10 and VIF values below 10, confirming no multicollinearity problem. The heteroscedasticity test using the Glejser method showed significance values greater than 0.05 for all variables, indicating the absence of heteroscedasticity.

Descriptive analysis showed that the average responses for leadership, competency development, and employee performance were in the "agree" category, indicating positive perceptions by employees toward the existing leadership and development programs.

The results of the multiple linear regression analysis are summarized in the following equation:

$$Y = 11.215 + 0.221X_1 + 0.188X_2$$

Where:

Y = Employee Performance

X1 = Leadership

X2 = Competency Development

The coefficient of determination (R^2) was 0.247, meaning that 24.7% of the variation in employee performance could be explained by leadership and competency development, while the remaining 75.3% is influenced by other factors not examined in this study.

The partial t-test results showed that the leadership variable had a t-count of 1.487 ($p = 0.145$), and competency development had a t-count of 1.204 ($p = 0.236$). Both p-values were greater than 0.05, indicating that neither variable had a significant individual effect on employee performance.

However, the simultaneous F-test showed an F-count of 5.704 ($p = 0.007$), which is less than 0.05. This means that leadership and competency development jointly have a significant influence on employee performance.

These findings suggest that while neither leadership nor competency development significantly affects performance in isolation, their combined implementation plays an important role in enhancing employee outcomes. This result supports the notion that organizational interventions should be integrated and holistic to yield meaningful impact.

This also aligns with the research by Goleman (2000), which emphasizes that leadership effectiveness is amplified when supported by continuous learning and competency development. Therefore, PT Sustraco Adikreasi should consider formulating integrated HR strategies that simultaneously strengthen leadership and facilitate skill development programs.

CONCLUSION

This study concludes that leadership and competency development, when implemented simultaneously, have a significant impact on employee performance at PT Sustraco Adikreasi. Although each variable did not show a significant partial effect individually, their combined influence was statistically significant. This suggests that isolated efforts may not be sufficient to enhance performance; rather, a synergistic approach integrating leadership development and competency-based training is required.

The practical implication of these findings is that organizations should design and implement comprehensive human resource development strategies that not only emphasize leadership effectiveness but also prioritize continuous competency improvement. By doing so, companies can foster a more productive, motivated, and performance-oriented workforce.

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