



THE MODEL OF IMPROVING EMPLOYEE PERFORMANCE IN INDUSTRY BATIK

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ABSTRACTThe research aims to formulate a model for improving employee performance at Sragen batik micro, small and medium enterprise center. The research method is through a quantitative approach and data collection through observation, questionnaires, interviews, and documentation. The objects of research are all employees in the batik center MSMEs (Industry batik) Masaran Sragen. Data analysis method through "validity test, reliability test, path analysis and model design improving employee performance. Based on the analysis, the model is declared goodness of fit and the variable that has the greatest influence on employee performance is the employee performance. The variable that has the greatest influence on employee performance on the performance of MSMEs is the incentive variable and wages.

Keywords: improvement, performance, employees, MSMEs, Industry, Batik

INTRODUCTION

Improving the quality of human resources for the organization is very important as a potential driving all organizational activities in achieving goals[1]. Every institution must be able to mobilize, maintain and improve the quality of human resource performance to achieve the set goals. One of the ways that organizations can do to improve employee morale is by paying attention to the needs of employees. Employee performance is influenced by many factors, one of which is motivation, training, and so on.

The research was conducted at MSMEs(industry batik) in the context of improvement efforts so that employees are able to carry out planned MSMEs activities. Employee work motivation functions as a driving force in doing work to be more active at work so that work can be completed appropriately and well according to the target.

The problems occurred in industry batik MSMEs are: (1) declining employee morale, it can be proven by the decline of daily batik fabric products produced by the workforce; (2) the occurrence of high turnover, (3) decreased labor discipline, (d) high labor absenteeism.

The problem above becomes the root of the problem from several causes of the decline in the performance of MSMEs. Thus, a model solution is needed to improve employee performance so that the targets and outcomes of MSMEs can run as expected. Based on the research conditions in the field, the performance of MSMEs has decreased while the production needs are stable. This research formulates a model of employee performance so that the variables needed to improve employee performance continue to increase. The benefit of the research are used as evaluation and input for improving MSME policies, related to performance improvement variables [2],[3]. Later the formula model is used as an improvement in improving employee productivity, morale, suppressing turn over, suppressing absenteeism, and the solution to resolve the problem faster.

The owner of SMEs is expected to be the role model from the survival of his business, has duty and obligation to direct, determine the vision and carry out the mission to manage and carry out the planned organizational task together. Each leader has his own leadership to lead the group or

subordinates. One's leadership really determines the level of work success of the employees he leads, the better the leadership, the higher the level of user satisfaction. It requires a leader who is wise, fair, does not distinguish ethnicity, race, and does not prioritize personal interests [4],[5].

If the organization is cool, conducive, and motivation given by the leader really determines the success of SMEs. If the organization is not conducive and less motivation, it will influence the success of the company[6], [7], [8], [9].The formulation of the employee performance improvement is useful and novel: (a) *flexible* that can be applied to similar MSMEs, (b) *applicable* can be applied to batik and non-batik MSMEs, (c) *visible* becomes the employee expectation in carrying out work and career in MSMEs.

LITERATURE REVIEW

Training

Training is an activity carried out to improve skills, knowledge, and attitudes in order to improve performance [10]. Training will improve knowledge, skills and behavior at the workplace. There are many benefits for MSMEs, for workers/employees and for users/consumers[11]. Explains that the training program is a process designed to maintain or improve job performance. Training can develop the skills necessary for future work activities. Training activities that exist in industry batik include: printing techniques, production and processes techniques, online and offline marketing, motif making and design techniques.

Competency certification

Competency is defined as a benchmark to determine the extent to which a person's ability to use their knowledge and abilities[12]. There are two types of competencies required, namely professional and personal competencies [12], [13]. Competition as a strategy mechanism and competition as an act of control over the production of knowledge products. Competition also as a culture or way, behavior carried out to respond to the influence of the market system. The competency certification that can be carried out in batik MSMEs such as: experts in design, experts in patterns and motifs. This expertise will be an added value for employees and will be a bargaining power in itself and employees or workers are more competent.

Incentives and wages

The company will provide a reward in the form of wages and incentives for employees who have performed their duties well. It aims to improve employee performance. [14] Incentive as an award given by the leader of the organization to employees so that they work with high motivation and achievement in achieving the organizational goals. Incentives are intended to provide different wages or salaries, providing incentives and wages are expected to make the employee income will increase, so it is also expected to improve the work productivity [15]. The wages given by MSMEs are carried out once a week and the Regional Minimum Wage. Some of the incentives provided are in the form of target bonuses, overtime bonuses, sales bonuses, production bonuses, Hari Raya allowance bonus, and

recreation bonus.

Technical guidance

Technical Guidance is defined as guidance in order to improve knowledge, skills, changes in attitude, behavior, towards performance deficiencies to improve performance through training[16]. [17] Training is a series of activities designed to improve skills, knowledge, experience, or changes in individual attitudes. Technical guidance in the form of training is a process of activities to teach employees such as: skills, knowledge, experience systematically to improve employee performance and provide skills according to the field of work that the employee will do[18]. Technical guidance activities in batik MSMEs such as: pattern making and design techniques, marketing techniques, HR management techniques, and administrative management techniques.

WorkEnvironment

The work environment is interpreted as someone who works with comfortable, productive and professional. MSMEs must be managed properly and the working relationships with employees are getting cooler, more conducive and work motivation is improving. The work environment also determines the success of MSMEs (Industry batik) to be more productive. If the organizational environment is not conducive, the employee motivation also declines which will affect the success of MSMEs [6]. The work environment in this activity is: good relations between employees and owners, the work atmosphere in the production site, lighting and noise, cleanliness, and temperature at the workplace.

Leadership motivation

Motivation and leadership style support the creation of a conducive environment and a highly motivated environment has a positive impact on employee work. Firm leadership, a conducive work environment and good motivation will have a positive effect on employee morale [7], [8], [9]. One's leadership motivation determines the level of work success of the employees he leads. The better the leadership style of a leader is, the higher the level of employee satisfaction will be. Thus, it is required a leader who is wise, fair, does not distinguish ethnicity, race, and also does not prioritize personal interests [4], [5]. Variables that can be done are the character of the leader's morale, an egalitarian and open leader, wise and fair, openness to employees.

HR CareerDevelopment

Career is a series of positions occupied by a person during the course of his age [19]. Career planning is a process with full consideration in which a person has an understanding of their skills, knowledge, motivation, and characteristics[20]. [21] Career planning is as a process gone through by individual employees to identify and take steps to achieve their career goals [22]. Career development is carried out by someone to achieve a future plan as a process of identifying potential and material to develop potential [22]. Variables in career development: duties and positions, authority and responsibility, payroll system and job description

MSMES Performance

Employee performance is expected to be able to influence the performance of MSMEs that contribute to the organization. Improving the performance of both individuals and groups is the center of attention in order to improve organizational performance [23]. Performance can be interpreted as work performance or implementation of work or performance results [24]. It is said that the increased performance will be characterized by sales volume increases, production increases, consumers increase, and profits increase.

Framework

The research framework according to Figure-1 states that the hypothesis developed is training, competency certification, incentive and wages, technical guidance, work environment, leadership motivation, and career development are the indicators of employee performance that affect MSMEs performance.

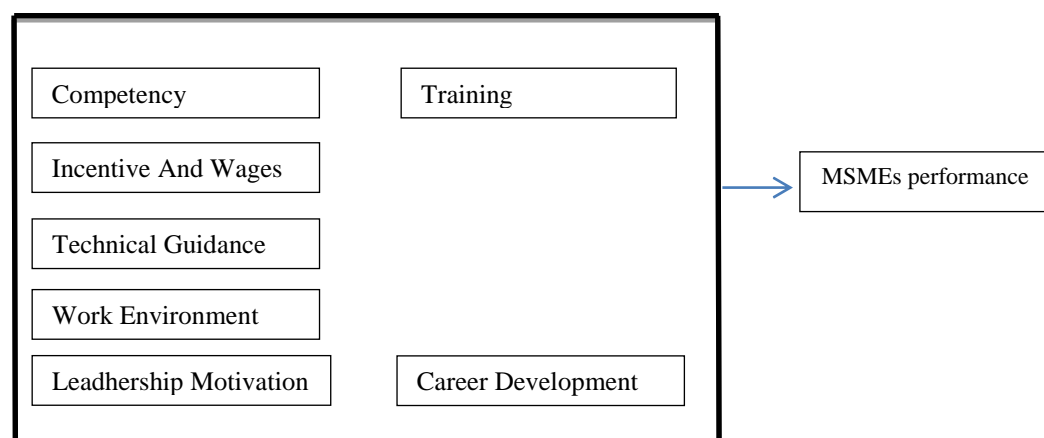


Figure-1. Research framework

METHODOLOGY

Research design

This research was carried out at industry Batik Sragen and conducted for six months. Data collection methods was carried out through questionnaires, interviews, observation, direct data collection, documentation and literature study as well as data collection through references relevant to the research theme. There were 30 employees as the objects studied and the data analysis used is validity, reliability to test the questionnaire instrument, measuring validity as a measuring tool, as well as the reliability of a question answer. Followed by formulation of the goodness of fit model and path analysis to find the influence of variables that affect the performance of MSMEs.

Analysis Technique

The research method is a step in carrying out research activities, including: quantitative research approach using 30 employees working in MSMEs. The research design is through an experimental design with 30 employees, the data collection with all employees working at industry Batik (MSMEs).

The data collection is through observation, questionnaires, interviews, documentation and literature. The stages and steps in the analysis test validity and reliability of the questionnaire, then conducting experimental tests on the model of improving employee performance for 30 employees in batik MSMEs. Questionnaires were given to employees, to test manifest variables in reflecting the latent variables developed. Content validity is validity that tests the validity of the instrument. Construct validity is an instrument of the concept using the experts' opinions based on the empirical experience in the field. Furthermore, testing with the formulation of the model applied and tested through CFA (Confirmatory Factor Analysis), and path analysis is to determine the magnitude of the influence of variables [25], [26].

RESULT AND DISCUSSION

The research was conducted with the following stages of results: (a) development of variables, (b) components of variables, (c) testing the questionnaire instrument and testing the validation of the hypothetical model, (d) testing the effectiveness of the model through the goodness of fit through CFA. Confirmatory Factor Analysis measures confirmatory manifest that aims to confirm: (a) the model is effectively formulated, (b) manifest analysis is proven to reflect latent, (c) analysis of the relations among variables.

The first stage, determining and developing variables, building variables that will be developed, followed by a validation test of improving the performance of MSMEs, as shown in Figure-1. There are eight research latent variables, namely: training, competency certification, incentives and wages, technical guidance, work environment, leadership motivation and career development, and employee performance.

The latent variable of training has manifests, namely: printing techniques, production techniques and processes, online and offline marketing, motif making and design techniques. Competency certification variables include: experts in design, experts in patterns and motifs. Incentive and wage latent variables include: Regional Minimum Wage, and several incentives in the form of target bonuses, overtime bonuses, sales bonuses, production bonuses, holiday allowance bonuses, and recreation bonuses. Technical guidance variables include: pattern-making and design techniques, marketing techniques, HR management techniques, administrative management techniques.

work environment variables include: good relations between employees and owners, work atmosphere at the production site, lighting and noise, and cleanliness and temperature at the work place. While leadership motivation variables are leadership enthusiasm, egalitarian and open leaders, wise and fair, openness with employees.

Variables in career development include: duties and positions, authority and responsibility, pay system, job description levels. The latent variables for MSME performance are: sales volume increased, production increased, consumers increased, and profits increased. Based on the analysis of validity and reliability of the questionnaire, all variables are stated to be valid and reliable in table-1 and table-2. Furthermore, the path analysis of the MSME performance improvement model variables, according to table-3.

Table-1. Validity Analysis

Variables	Cronbach's Alpha
Employee performance	0,527
MSMEs performance	0,620

Source: processed data(2023)

In table-1, it is known that the question items are used to measure the training variable, competency certification, incentives and wages, technical guidance, work environment, motivation, leadership and career development (employee performance) and MSME performance are stated valid with Cronbach's Alpha coefficient > 0.3.

Table-2. Reliability Analysis

Variables	Cronbach's Alpha
Employee performance	0,851
MSMEs performance	0,883

Source: processed data(2023)

In table-2, it is known that the question items are used to measure the training variable, competency certification, incentives and wages, technical guidance, work environment, motivation, leadership and career development (employee performance) and MSME performance are declared reliable with Cronbach's Alpha coefficient > 0.7.

Furthermore, testing CFA (Confirmatory Factor Analysis), based on the analysis obtained results that the correlation between indicators (manifest variables) and latent variables can be presented as it is shown in Table-3.

Table-3. Loading Confirmatory Factor Analysis

VARIABLES	LOADING	P-VALUE
Training <-Employee Performance	0,689	0,000
Competency cert <-Employee Performance	0,605	0,000
Incentive and wages <-Employee Performance	0,575	0,000
Technical guidance <-Employee Performance	0,584	0,000
Work environment <-Employee Performance	0,670	0,000
Motivation leadership <-Employee Performance	0,579	0,000
Career development <-Employee Performance	0,631	0,000
Employee Performance <-MSMEs performance	0,637	0,000

Source: processed data(2023)

In table-3, it is known that the loading of each indicator on its variable > 0.5 with a significance < 0.05 (5%). It means that all indicators are significant in measuring latent variables, so that the structural analysis continues in the structural hypothesis. Next, perform path analysis (path analysis), as for the results of the coefficient has direct influence of exogenous variables on endogenous that can be seen in table-4 and table-5.

Table-4. Analysis of the influence path of employee performance towards MSMEs performance

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	32,041	8,595		3,728	,001
	Training	1,473	1,115	,200	1,321	,200
	Competency certification	1,236	5,366	,155	,230	,820
	Incentives and wages	4,537	1,725	,566	2,630	,015
	Technical guidance	1,445	5,607	,177	,258	,799
	Work environment	1,113	1,245	,140	,894	,381
	Leadership motivation	,571	2,010	,067	,284	,779
	Career development	,712	1,501	,081	,474	,640

a. Dependent Variable: Kinerja_UMKM

Source: processed data (2023)

Table-5. Analysis of the influence path of employee performance towards MSMEs performance

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	10,446	2,840		3,679	,001
	Employee performance	,240	,017	,939	14,442	,000

a. Dependent Variable: MSMEs performance

Source: processed data (2023)

Based on table-5, it is known that the t-test result is 14,442 with significance 0,000 < 0,05. While table-6, the coefficient of influence path of employee performance towards MSMEs performance is 0.877 which means there is a significant influence of employee performance towards MSMEs performance.

Table 6. The analysis result of the employee performance determination coefficient towards MSMEs performance

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,939 ^a	,882	,877	1,19293

a. Predictors: (Constant), Kinerja_Karyawan

Source: processed data (2023)

Based on table-4, it is known that there is one variable that has direct influence towards MSMEs performance namely incentives and wages with coefficient 0.566 and the t-test result 2.630 with significance 0.015 < 0.05. It means that there should be further analysis carried out to recognize the correlation between variables and MSMEs performance, to obtain the best variable correlation model. Based on the analysis by connecting among relation model variable between training, competency certification, incentives and wages, technical guidance, work environment, leadership motivation and career development (employee performance) as it is shown in Figure-2.

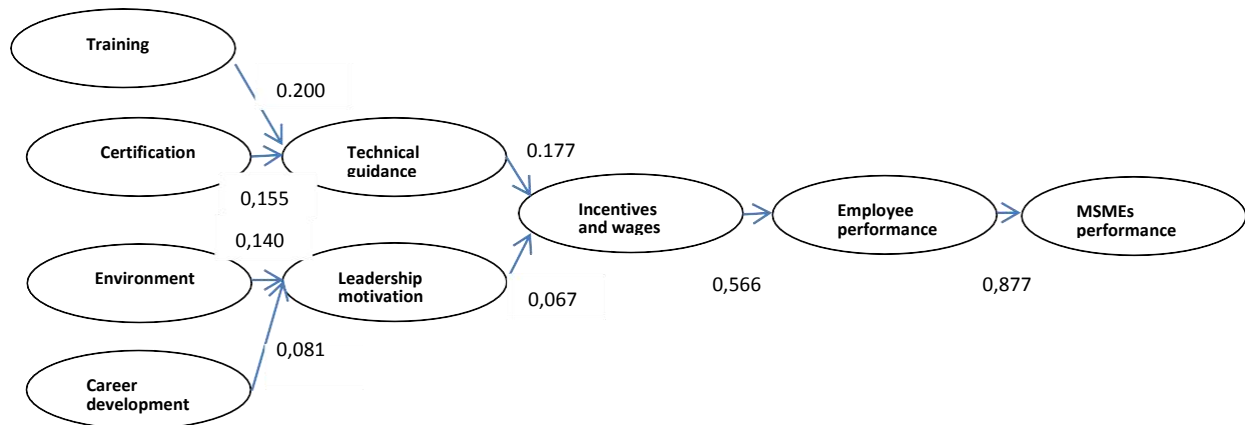


Figure-2. Path analysis model of the correlation among variables

Strategies carried out by MSMEs to improve the performance are (a) incentives increase, (b) standard wages, (c) some incentives that can improve the employee performance

CONCLUSION

Based on the result and discussion, it can be concluded: (1) the formulation of an employee performance improvement model is stated goodness of fit, (2) the formulated model can be applied to improve MSMEs performance.

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