# Strategy to Increase Competitiveness through the Implementation of Human Resource Performance Management in PT. Garudafood Putra Putri Jaya Tbk

## Dani Achmad Fauzi<sup>1</sup>, Syamsul Maarif<sup>1</sup>, Nimmi Zulbainarni<sup>1</sup>

<sup>1</sup>IPB University, School of Business, Jl. Raya Pajajaran Bogor, Indonesia

Corresponding Author: Dani Achmad Fauzi

#### **ABSTRACT**

PT. GarudaFood Putra Putri Jaya, Tbk is a food and beverage company that develops values and philosophy culture in running the company's business, namely human values, business ethics, unity through harmony, speed and leading change and working intelligently in learning culture. The goal to be achieved with the development of Human Resources is the growth of performance, both in the institution as a whole and in each worker involved in it from the top level to the bottom, development is expected increase productivity and effectiveness in institutions that ultimately the company is able to increase its competitiveness. The analysis method used is structural equation modeling partial least square (SEM-PLS) analysis is used to determine the influence of performance management system on improving the competitiveness of companies in PT. Garudafood Putra Putri Jaya, Tbk and analytical hierarchy process (AHP) analysis are used to determine the best alternative strategies to encourage the success of performance improving management system in competitiveness of companies PT. Garudafood Putra Putri Jaya, Tbk. The results of the study showed that Performance Management obtained the most final value and ranked 1st with a value of 34.45% and Company Competitiveness in 2nd place with a final value of 15.55%. Of the independent variables, company culture (X1) has the highest weight to be taken into account because it gives the highest impact then in the second position, namely Leadership (X3), third HR Competence (X2), and the last is Job Satisfaction (X4).

*Keywords*: Competence, Competitiveness, Job Satisfaction, Leadership Organizational Culture, Performance Management System

#### INTRODUCTION

PT. GarudaFood Putra Putri Jaya, Tbk is a food and beverage company that is subordinate of Tudung Group. GarudaFood comes from PT Tudung. established in Pati, Central Java. The company's founder was the late Darmo Putro, a former fighter who had been elected to be involved in the business sector, after Indonesia's independence. At the beginning of his business as a producer of tapioca flour. In 1987 specifically produced leather beans using the Garuda Nut brand as its flagship product, from there pt. Garudafood Putri Jaya in 1995. Putra which concentrated the production of oven beans such as atomic beans, honey beans, and telor beans.

Saeiring the progress made by crisp nut products, the company continues to innovate by making efforts to diversify products and implement new machines with modern technology. So the company expanded from several legume products, to develop and strengthen the base in the snack industry, one of which is biscuits under the Gery brand. Not stopping there the company continues to develop other food and

beverage industry products, including: Leo which is a trademark with potato chips and corn in popcorn, Chocolatos (2008) is a stick wafer with chocolate cream contents and even developed this Chocolatos product into a Ready to Serve and Ready To Drink, Clevo (2009) UHT milk drinks measuring 125ml for children, Okky Jelly Drink (2002), Mountea (2005), Mytea (2019), Good Mood (2017).

Companies with the vision of "Becoming one of the best companies in the food and beverage industry in Indonesia in terms of profitability, sales, and consumer satisfaction through the creative work of all competent employees" have the hope that the vision can be realized by formulating the company's mission which includes satisfying consumers with quality products, forming a community of employees to grow together and develop quality of life, The work environment, and the work of employees, creates sustainable long-term benefits between the company and all business partners, and increases added value for shareholders with good business ethics and company management.

PT. Garudafood developing with a very thick corporate culture instilled in all stakeholders in the company, instilled the spirit of the founder, namely the late Mr. Darmo Poetro and Mrs. Poesponingroem "Success was born from honesty, tenacity and perseverance accompanied by prayer". Making PT. Garudafood is a Company based on Mindfulness Values (Minfulness-BasedCompany) that is, a company that is moved consciously or run based awareness by people who own or practice conscious living. By aiming to grow and develop and provide maximum benefits. The fundamental thing to distinguish from what is not is the existence of spiritual the organization when awareness in managing things such as, strategy, HR, organization, system, and so on. For Garudafood, profit is important but it needs awareness that the process to achieve it should not justify fresh events.

Human resources is one of the basic capital of the company, therefore the quality of human resources (HR) must always be developed and directed in order to achieve the goals that are expected by the organization. According to Hardjana (2001) human resource development is learning activities held within a certain period of time to increase the possibility to improve performance, development is not allowed to happen just like that but is really intended and designed systematically. The goal to be achieved with the development of human resources is the growth of performance, both in the institution as a whole and in each worker involved in it from the top level to the bottom, with the development expected to increase productivities and effectiveness in the institution (Qustolani2017).

Performance management is currently major need for a many organizations, because with good performance management an organization can more easily achieve its goals, with further impact as an acceleration of an organization's continued excellence. Improved performance in an organization or company lies in how existing resources can translate what is the goal of a company or organization. This becomes a benchmark for how to manage performance. So that the improvement of performance is a system that should be done collaboratively and cooperatively by employees, managers and organizations.

One of the factors that affect the performance of the company or organization is employee performance. The performance produced by an employee greatly affects the effectiveness of the company's performance. Individual performance with organizational performance (corporate performance) has a relationship. close High individual performance will greatly affect the overall performance of the organization or in other words if the individual performance of employees is good then most likely the company's performance will also be good (Setyawan 2018). So this will affect the improvement of the performance of an Dani Achmad Fauzi et.al. Strategy to increase competitiveness through the implementation of human resource performance management in PT. Garudafood Putra Putri Jaya Tbk.

organization as desired. Employees who have high performance are highly expected by companies where the more employees who perform high, the more the productivity

of the company so that the company can survive global competition. Figure 1 shows an improvement in performance from 2018 to 2019.



Source: Company Annual Report (2019) PT. Garudafood Tbk Figure 1. Performance Overview 2019

The tight competition of food and beverage industry in 2019 makes all companies must be able to compete well In relation to competitiveness, Zuhal (2010) said that the company must turn its attention in greater portions to hidden assets such as human resources (HR), corporate culture, and other intellectual assets. There is a fairly fundamental shift that is moving towards human capital oriented. Competitiveness by Zuhal (2010) is defined as an overview of

how a nation including its companies and human resources control the strength of competence it has in an integrated manner to achieve prosperity and profit, and competitiveness in a business context can be understood as an ability or performance of an institution either in the form of human resources, companies, or countries in the face of competitors under certain conditions. So we can see from Figure 2 Data on the demographics of the Company's employees.

PERSEROAN Company	2019	2018
S2 Master's degree	39	30
S1 Bachelor's degree	633	591
D3 Diploma	177	182
SMA atau sederajat Senior High School or equivalent	2.775	2.710
<sma <senior="" high="" school<="" td=""><td>2.439</td><td>2.565</td></sma>	2.439	2.565
Jumlah Perseroan Total Company	6.063	6.078
ENTITAS ANAK Subsidiaries	2019	2018
S2 Master's degree	16	12
S1 Bachelor's degree	1.062	902
D3 Diploma	374	360
SMA atau sederajat Senior High School or equivalent	4.336	4.562
<sma <senior="" high="" school<="" td=""><td>227</td><td>202</td></sma>	227	202
Jumlah Entitas Anak Total Subsidiaries	6.015	6.038

Source: Company Annual Report (2019) PT. Garudafood Tbk, Figure 2 Employee Demographic Data

Based on this, it is important to instil a competitive culture in an organization. One of the factors that distinguish an organization from other organizations is its culture. Berbicara about organizational usually what is meant culture, organizational culture according to Keith John W. Newstrom Davis and (Mangkunegara, 2008) is "organizational culture is the set of assumptions, believes, values, and norms that is shared among its members". Thus organizational culture is the assumptions, beliefs, values and norms that become guidelines for its members.

Based on this background, the study of employee performance at PT. Garudafood Putra Putri Jaya, Tbk, is important to do in analyzing how much influence the performance management system has on improving the company's competitiveness.

Based on the formulation of the above problems regarding this research, the purpose of this research is to (1) Analyze the influence of the company's organizational culture in improving competitiveness through the implementation of performance management systems in PT. Garudafood Putra Putri Jaya Tbk? (2) Analyze the influence of competence in increasing competitiveness through the application of performance management systems in PT. Garudafood Putra Putri Jaya (3) Analyze the influence of Tbk? leadership in improving competitiveness through the implementation of performance management systems in PT. Garudafood Putra Putri Jaya Tbk? (4) Analyze the influence of job satisfaction in improving competitiveness through the implementation of performance management systems in PT. Garudafood Putra Putri Java Tbk? (5) Formulating strategy to increase a competitiveness in pt. Garudafood Putra Putri Jaya, Tbk

#### **METHODS**

This research was conducted by taking a research location at the headquarters of PT. Garudafood Putra Putri

Jaya, Tbk As for the time of data collection is carried out from February to April 2020. The data required for this study is primary data and secondary data. Primary data obtained from questionnaires at the head office of PT. Garudafood Putra Putri Jaya, Tbk. Secondary data is obtained from the study of literature such as literature or references related to other sources outside company that support research. Secondary data is used to support primary data in analyzing employee perception of HR Performance Management applied at pt. Garudafood Putra Putri Java. Researcher. The respondents in this study were all employees in the office of PT. Garudafood Putra Putri Jaya, Tbk who has a position as a supervisor. Employees who are at the supervisor level are considered to have more knowledge of HR Performance Management. Supervisor at the head office of PT. Garudafood Putra Putri Jaya, Tbk is as many as 50 people. In addition, there are 4 selected respondents who have a deep understanding of HR performance management in PT. Garudafood. Here are the selected respondents:

Table 1 Research Respondent

No.	Name	Position	Long Work
1	Andhika Rajasa	HOC & GA	9 years
2	Zulfendi	Learning Head	16 years
3	Patricia Rini	HC BP	13 years
4	Samsul Arifin	HCBP Manufacture	15 years

The techniques for collecting data and information in this study are collected through the following methods:

- 1) Questionnaire. This method is used to obtain primary data, which is data obtained directly from the study subject through the filling out of questionnaires. The questionnaire is filled out by the respondent directly.
- 2) Library Review Method. This method is done by studying books, articles, journals and various other scientific writings that support research.

Analysis of data used to determine the effect of performance management system on improving the competitiveness of companies in PT. Garudafood Putra Putri Jaya, Tbk is using SEM data analysis technique (Structural Equation Modeling) with an alternative method based on variance or SEM component base called Partial Least Square (PLS) using smartPLS 2.0 software. Partial Least Square was introduced by Herman would in 1974, as a method for estimating path models using latent constructs with multiple indicators. PLS aims to test predictive and constructed relationships by seeing if there are relationships or influences between those constructs.

According to Ghozali (2011) that PLS has its own advantages, including: processed data does not have to be normal multivariate distribution (indicators with category scales, ordinal, intervals to ratios can be used on the same model), sample sizes do not have to be large and models do not have to be supported with strong theories such as Covariance-based SEM represented by AMOS and LISREL software. The advantages of pls make PLS famous as a powerful method of analysis and often called soft modeling because it negates the assumptions of OLS(Ordinary Least Square) regression and the absence of multicollinearity problems between exogenous variables.

The PLS-SEM model is evaluated using the smartPLS program by assessing the results of the model measurement through the analysis of confirmatory factors by testing the reliability and validity of latent constructs. Outer models with reflexive indicators are evaluated through convergent and discriminate validity of latent construct forming indicators, composite reliability and Cronbach's alpha for their indicator blocks. While outer models with formative indicators evaluated through substantive content, namely by comparing relative weight and looking at the significance of the construct indicator.

The goodness of fit model used can be seen based on the results of the outer model and the inner model of the Outer model research can be known by looking at the value of the composite reliability of the construct. Composite reliability can be evaluated by two sizes: internal consistency and Conbach's Alpha. The accepted limit value for the composite reliability level is above 0.50 although this value is not an absolute standard. Evaluation of the measurement model (outermodel) aims to see the relationship between the indicator and its construct variables. According to Ghozali (2011), there are several criteria in evaluating outer models, including:

- a) Convergent validity, useful for testing the validity of reflective indicators. The indicator is said to be valid if the statistical t value is above 1.96 or the loading value of the factor above 0.50 against the construct variable.
- b) Discriminant validity is measured by looking at the average variance extracted (AVE) value. The recommended AVE value is > 0.50.
- c) Composite reliability, a reliability test of the indicator block that measures its variable construct. The accepted limit value for the composite reliability level is > 0.60.

models Inner are useful describing relationships between latent variables of research. The inner model can explain the relationship between constructs and the values of significance as well as the value of determination (R-Square). The structure model will be evaluated using R-Square for dependent constructs and test values t as well as the significance of the structure path parameter coefficients. The PLS model begins by paying attention to the R-Square value of the dependent latent variable. Changes in R-Square values can be used to assess the substantial effect of certain independent latent variables on dependent latent variables. The coefficient of determination is used to see the extent to which the ability of exogenous variables can explain the diversity of bound variables. The coefficient of determination is required to measure the success rate of the model used in predicting its bound variables.

According to Ghozali (2011) the coefficient of determination has a value

between zero and one. Zero value means there is no relationship between free variables and bound variables. Conversely, when the coefficient of determination is worth one it shows a perfect match of the precision of the model. The reason for the selection of statistical analysis methods using partial least square techniques in this study is to consider the number of samples that only amounted to 50 respondents, because PLS was able to analyze the number of respondents who were less than 100 respondents. In addition, PLS can not only be used to confirm theories, it is also able to explain the exist or absence of relationships between latent variables of research.

AHP is a method in a decisionmaking system that uses several variables with a multilevel analysis process. Analysis is done by giving priority values of each variable, then making a paired comparison of the variables and alternatives that exist. Related research that uses the AHP method as a tool is research that has been done by Maharrani, regarding employee admission selection. Analytical Hierarchy Process (AHP) is a functional hierarchy with its primary input of human perception. This method was developed by Prof. Thomas Lorie Saaty of Wharton Business School in the early 1970s, which is used to find the ranking or priority order of various alternatives in solving a problem.

## **RESULTS**Outer Model Evaluation

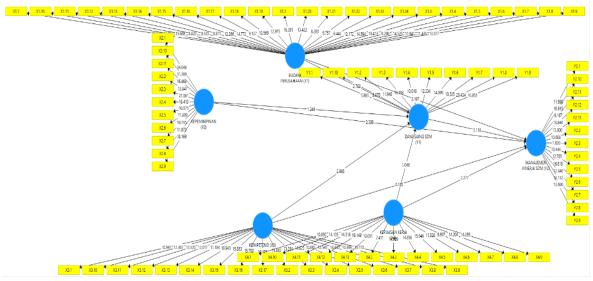


Figure 3 Structural Model Output Displays

Based on the presentation of data in figure 3 above, it is known that each of the many research variable indicators has an outer loading value of > 0.7. However, there are still some indicators that have an outer loading value of < 0.7. According to Ghozali (2014: 39), an outer loading value between 0.5 - 0.6 is already considered sufficient to qualify convergent validity. The above data shows no variable indicator whose outer loading value is below 0.5, so all indicators are declared viable or valid for

research use and can be used for further analysis.

In this section will be outlined the results of discriminant validity test. The discriminant validity test uses a cross loading value. An indicator is declared to meet discriminant validity if the cross loading value of the indicator on its variable is the largest compared to other variables (Ghozali, 2014). In addition to observing cross loading values, discriminant validity can also be known through other methods, namely by looking at the Average Variant

Extracted (AVE) value for each indicator required the value must be > 0.5 for a good model (Ghozali 2014).

Table 1 Average Variant Extracted (AVE), Composite Reliability, dan Cronbach Alpha

Renability; dan eronbach rupha					
Variabel	AVE	Composite	Cronbach's		
		Reliability	Alpha		
Budaya Perusahaan	0,538	0,965	0,962		
(X1)					
Daya Saing SDM (Y1)	0,539	0,921	0,904		
Kepemimpinan (X2)	0,600	0,943	0,933		
Kepuasan Kerja (X4)	0,574	0,946	0,937		
Kompetensi (X3)	0,574	0,958	0,953		
Manajemen Kinerja	0,546	0,940	0,930		
SDM (Y2)					

Based on the data presented in table 1 above, it is known that the AVE value of Corporate variables. Culture HR Competitiveness, Leadership, Job Satisfaction, HR Competence Performance Management > 0.5. Thus it can be stated that each variable already has a good discriminant validity. It can be known that the composite reliability value of all research variables > 0.6. These results show that each variable has met the composite reliability so it can be concluded that the entire variable has a high degree of

reliability. It can be known that the alpha Cronbach's value of each research variable > 0.7. Thus these results can show that each of the study variables has met the requirements of the Cronbach's alpha value, so it can be concluded that the entire variable has a high level of reliability.

#### **Evaluation of Inner Model**

The path coefficient evaluation is used to show how strong the effect or effect of independent variables is on dependent variables. Coefficient determination (R-Square) is used to measure how much an endogenous variable is affected by other variables. Chin mentions R2 results of 0.67 and above for endogenous latent variables in structural models indicating the effect of exogenous variables (which affect) on endogenous variables (which are affected) fall into the category of good. Whereas if the result is 0.33 - 0.67 then it belongs to the medium category, and if the result is 0.19 -0.33 then it belongs to the weak category (Ghozali 2014).

Table 2 Path Coefficients dan R-Square

Tuble 2 I atil Coefficients dan K-5quare					
Variabel	Daya Saing SDM (Y1)	Manajemen Kinerja SDM (Y2)	R	R Square	
			Square	Adjusted	
Corporate Culture (X1)	0,341	0,259	0,824	0,814	
Human Resources Competitiveness (Y1)	-	0,314	-	-	
Leadership (X2)	0,144	0,219	-	-	
Job Satisfaction (X4)	0,111	0,198	-	-	
Competence (X3)	0,382	0,042	-	-	
Hr Performance Management (Y2)	-		0,915	0,909	

Based on table 2 of the inner model scheme it can be explained that the largest path coefficient value is indicated by the corporate influence of culture competitiveness of 0.341, the influence of leadership on the competitiveness of the company by 0.144, the influence of competence on 0.111 and the satisfaction of work on competitiveness by 0.144. While the influence of corporate culture on HR performance management by 0.259, the competitiveness influence of on HR performance management by 0.314, the influence of leadership on HR performance management by 0.219, the influence of job satisfaction HR performance on management by 0.198 and the influence of competence on HR performance management by 0.042.

Based on the description of these results, it shows that the overall variables in this model have a path coefficient with positive numbers. This shows that if the greater the path coefficient value on one variable is independent of the dependent variable, the stronger the influence between independent variables on the dependent variable.

Based on the data presented in table 4.7 above, it can be known that the R-Square value for the HR Competitiveness variable is 0.824. The acquisition of the value explains that the percentage of human resource competitiveness is 82.4%. Then for

the R-Square value obtained hr performance management variable of 0.915. The value explains that HR Performance Management is 91.5%. The goodness of fit assessment is known from the value of Q-Square. The value of Q-Square was obtained at 0.986. This shows the magnitude of the diversity of

research data that can be explained by the research model is 98.6%. The remaining 1.4% was explained by other factors that were outside the study model. Thus, from these results, this research model can be declared to have a good goodness of fit.

**Table 3 T-Statistics and P-Values** 

		T Statistics	P Values	Result
H1	Corporate Culture (X1) - > HR Competitiveness (Y1)	3,788	0,000	Accepted
H2	Corporate Culture (X1)-> HR Performance Management (Y2)	2,197	0,028	Accepted
Н3	HR Competitiveness (Y1) -> HR Performance Management (Y2)	3,118	0,002	Accepted
H4	Leadership (X2) - > HR Competitiveness (Y1)	1,248	0,213	Rejected
H5	Leadership (X2)-> HR Performance Management (Y2)	2,388	0,017	Accepted
Н6	Job Satisfaction (X4)-> HR Competitiveness (Y1)	1,046	0,296	Rejected
H7	Job Satisfaction (X4)-> HR Performance Management (Y2)	2,277	0,023	Accepted
H8	Competence (X3) -> HUMAN RESOURCES Competitiveness (Y1)	2,965	0,003	Accepted
H9	Competency (X3)-> HR Performance Management (Y2)	0,510	0,611	Rejected

Based on the data that has been done, the results can be used to answer hypotheses in this study. The hypothesis test in this study was conducted by looking at the value of T-Statistics and the value of P-Values. The research hypothesis can be expressed acceptable if the value of P-Values < 0.05 (Sofyan 2011). Based on the data presented in table 4.8 above, it can be known that of the nine hypotheses proposed in this study, of the nine only six hypotheses received namely H1, H2, H3, H5, H7, and H8, because each of the influences shown to have a value of P-Values < 0.05. So that it can be declared an independent variable to its dependents has a significant influence. While the three hypotheses rejected, namely H4, H6 and H9, because each of the influences shown to have a P-Values value > 0.05. So that it can be declared an independent variable to its dependents does not have a significant influence.

## Analysis of Competitiveness Improvement Strategies Through The Application of Human Resource Performance Management Analytical Hierarchy Process (AHP) Methods

Analysis of factors to increase competitiveness through the application of human resource performance management in the company is one of the important aspects in the formulation of the company's strategy in order to achieve maximum competitiveness. Analysis of supporting factors aims to categorize factors using ranking scores so that they can be known the factors with the highest values and lowest values. Analysis of kinera supporting factors in this study was conducted using the Analytical Hierarchy Process (AHP) method. The Analytic Hierarchy Process (AHP) method is a comprehensive methodology, which provides the ability to combine quantitative and qualitative factors in individual and group decision-making (Saaty 2012).

**Table 4 Alternative Priority Calculations** 

Alternative Name	Criterion	Eigen Whole	Eigen Perkriteria	Multiplied	Presentation	Rank
Performance Management (Y1)	Corporate Culture (X1)	0.39	0.34	0.14	34.45%	1
	HR competence (X2)	0.19	0.34	0.07		
	Leadership (X3)	0.24	0.34	0.08		
	Job Satisfaction (X4)	0.17	0.34	0.06		
	Total			0.34		
Corporate Competitiveness (Y2)	Corporate Culture (X1)	0.39	0.16	0.06	15.55%	2
	HR competence (X2)	0.19	0.16	0.03		
	Leadership (X3)	0.24	0.16	0.04		
	Job Satisfaction (X4)	0.17	0.16	0.03		
	Total			0.1555		

Basically AHP is a method of solving a complex and unstructured problem intoits components, arranging those components in a hierarchy, including numerical values in lieu of human perception in making relative comparisons, and finally producing a synthesis that establishes the order and priority values of those components. AHP is displayed in the form of a hierarchical model consisting of objectives, criteria, perhaps several subcriteria levels and alternatives to each decision (Nurmianto and Siswanto 2006).

Based on the table above the final value, it can be seen that Performance Management obtained the largest final value and ranked 1st with a value of 34.45% and Company Competitiveness in rank 2 with a final value of 15.55%. From Variable X Company Culture (X1) has the highest weight to be taken into account because it gives the highest impact then in the second position, namely Leadership (X3), third HR Competence (X2), and the last is Job Satisfaction (X4).

## Discussion of Research Results The Influence of Corporate Culture on Human Resources Competitiveness

From the results of the hypothesis test, it is known that the value of P-Values that shape the influence of corporate culture on human resource competitiveness is 0.000 coupled with a positive T-Statistics value of 3,788, so it is stated that the company culture has a positive effect on hr competitiveness.

Robins (2002) reveals that organizational culture refers to a system of mutual understanding held by the members of an organization, which distinguishes that organization from other organizations. Based on this understanding, there are certain characteristics that an organization has so as to distinguish one organization from other organizations.

Competitiveness is concerned with the effectiveness of the company, i.e. whether the company can meet the needs of stakeholders. According to Noe et al (2010) human resource management refers to policies, practices, and systems that influence employee behavior, attitudes, and performance. HR practices include analyzing and designing jobs, establishing HR needs, attracting potential employees, selecting employees, teaching employees how to carry out their work and preparing them for the future, rewarding employees, evaluating employee performance, and creating a positive work environment.

The results of this study are supported by the results of research conducted by Sihite (2018) and Analisa (2011) which states that the company culture has a positive influence on human resource competitiveness.

## The Influence of Corporate Culture on HR Performance Management

From the results of the hypothesis test, it is known that the value of P-Values that shape the influence of corporate culture on HR performance management is 0.028 coupled with a positive T-Statistics value of 2,197, so it is stated that the company culture has a positive effect on HR performance management.

Organizational culture the attitudes, values, norms of behavior and expectations contributed by members of the organization. Robbins (2006) describes organizational cultural changes in a better direction that can be done by making management behavior (officials) as models, creating habits and beliefs according to the desired culture, creating and socializing new values, and increasing group cooperation. While according to Mangkunegara (2007) informal formal and organizational conditions such as organizational culture have influence on employee an performance.

According to Zahriyah et al. (2015), the interconnectedness of the relationship between organizational culture and employee performance is considered to determine the organization's ability to cope with environmental changes, even directly affecting employee performance.

Organizational culture becomes an important contributing factor to a company's success or failure. Culture can be a positive or negative force, in conjunction with the effectiveness of the achievements of the company or organization in question. High performance is the result of cultural consistency.

Previous research that examined the influence between organizational cultures on employee performance was conducted by Heriyanti (2007) where the results of his research showed that organizational culture has a positive influence on employee performance. The same is done by Dinanti (2015) which examines the influence of organizational culture on performance where organizational culture influences positively and significantly on employee performance and there are still opportunities for organizations to maximize the functions of organizational culture to be able to encourage even better employee performance Research improvements. conducted by Taurisa and Ratnawati (2012) concluded that there is a unidirectional influence between organizational culture and employee performance. This shows that the stronger the organizational culture in the company, higher the the level performance of its employees. The most dominating indicator of organizational culture is the feeling of being valued, which that when an employee feels indicates valued in an organization, then when the existence of culture is felt by employees and expected their behavior in accordance with that culture so that later it will be able to improve its performance.

## The Impact of HR Competitiveness on HR Performance Management

From the results of the hypothesis test, it is known that the value of P-Values that form the influence of competitiveness on HR performance management is 0.002 coupled with a positive T-Statistics value of 3,118, so that it is stated that competitiveness has a negative effect on HR performance management.

Long-term human resource development is an important part of the HR department. Employee development is also an effective way to deal with the challenges faced by the company, including employee quality lag, job diversity, changes in agreed activity techniques and employee turnover. According to Hasibuan (2003)development is an effort to improve the technical, theoretical, conceptual and moral abilities of employees in accordance with the needs of the job or position through education or training.

Performance is defined as everything produced by management, employees or an organization in its work as a contribution to the performance of the work unit and the organization as a whole. The word performance is commonly used to describe some things that are somewhat different although there is still a connection.

The results of this study are supported by the results of research conducted by Sihite (2018) and Analisa (2011) which states that competitiveness has a negating effect on HR performance management.

## The Influence of Leadership on Human Competitiveness

From the results of the hypothesis test, it is known that the value of P-Values that form the influence of leadership on human resources competitiveness is 0.213 coupled with a positive T-Statistics value of 1,248, so it is stated that leadership has no negitive effect on hr competitiveness.

An organization certainly needs someone who can take the organization in a better direction that is in accordance with the goals of the organization, which we often refer to as leaders. Leadership is an important role in organizing. Leaders are instrumental in achieving organizational goals. The leader must be able to coordinate and build relationships with subordinates. According to Kreitner and Kinicki (2013) leadership is a process by which an individual helps others to achieve their goals.

Long-term human resource development is an important part of the HR department. Employee development is also an effective way to deal with the challenges faced by the company, including employee quality lag, job diversity, changes in agreed activity techniques and employee turnover. According to Hasibuan (2003)development is an effort to improve the technical, theoretical, conceptual and moral abilities of employees in accordance with the needs of the job or position through education or training.

Quality human resources turn vision into reality. The development of human resource performance management is the entire activity of recruitment, selection, placement, training, use, maintenance and integration of personnel in an organization (Ruki 2003). In performance-based HR management, all decisions to be made in all aspects or human resource management activities are based on or attributed to employee performance.

The results of this study are supported by the results of research conducted by Sihite (2018) and Analisa (2011) which states that leadership has no negative effect on human resource competitiveness.

## Influence of Leadership on HR Performance Management

From the results of the hypothesis test, it is known that the value of P-Values that form the influence of leadership on HR performance management is 0.017 coupled with a positive T-Statistics value of 2,388, so that leadership is stated to have a negating effect on HR performance management.

According to Robbins and Judge (2013), leadership is the ability to influence a group toward achieving a vision and set of goals. Moeheriono (2014), argues that leadership is a form of persuasion, an art of moving and fostering a certain group of people, usually through human relations and proper motivation, so that without fear they are willing to cooperate and understand to

achieve all that is the goal of the organization.

Performance-based HR management as the right management system because it is considered the most objective is based on clearer and firmer measures or criteria. In reality, the use of performance as a base is usually only used as a basis for the awarding of "rewards" or penalties, promotions / promotions and developer programs.

The results of this study are supported by the results of research conducted by Sihite (2018) and Nur et al. (2016) which states that leadership has a negating effect on HR performance management.

## The Effect of Job Satisfaction on Human Resource Competitiveness

From the results of the hypothesis test, it is known that the value of P-Values that form the effect of job satisfaction on human resource competitiveness is 0.296 coupled with a positive T-Statistics value of 1,046, so that it is stated that job satisfaction has no negative effect on hr competitiveness.

In the opinion of Sanuddin and Widjojo (2013), the more aspects of his work that are in accordance with the desires and value systems embraced by individuals, higher the satisfaction obtained. Likewise, the more aspects of the work that are not in accordance with the desires and value systems of the individual, the lower the level of satisfaction obtained. So it can be said that to create work results that are in accordance with the expectations of a company or organization, namely by paying attention to employee job satisfaction. To be able to say that employee satisfaction work will be achieved if the wishes of employees are fulfilled after they complete the responsibilities of the work that has been burdened. Or in other words that job satisfaction will be achieved when the burden carried out is proportional to the results received.

Long-term human resource development is an important part of the HR

department. Employee development is also an effective way to deal with the challenges faced by the company, including employee quality lag, job diversity, changes in agreed activity techniques and employee turnover. According to Hasibuan (2003) hr development is an effort to improve the technical, theoretical, conceptual and moral abilities of employees in accordance with the needs of the job or position through education or training.

The results of this study are not supported by the results of research conducted by Setiawan (2016) and Nur, et al (2016) which stated that job satisfaction has no negative effect on human resource competitiveness.

## Effect of Job Satisfaction on HR Performance Management

From the results of the hypothesis test, it is known that the value of P-Values that form the influence of job satisfaction on HR performance management is 0.023 coupled with a positive T-Statistics value of 2,277, so that it is stated that job satisfaction has a negating effect on HR performance management.

Job satisfaction is one of the important factors affecting life satisfaction, as most people spend time at work. A positive feeling about a person's work that is the result of an evaluation of his characteristics, Robbins & Judge (2008). It is important when individuals feel job satisfaction in the company can improve the performance of that individual.

Performance management development is the right business as an entrance to the implementation of regulatory arrangements in service organizations. The development of performance management will form a structure that is the laying of the first basis in the development of advocacy arrangements and commitment stakeholders and implementing, leadership, coaching and monitoring activities, being the key to the successful implementation of performance management development. The implementation performance of

management development starting from the stage of preparation, implementation, evaluation, and roll out to other service places or other professions is highly dependent on the support of stakeholders within and outside the service organization.

The results of this study are supported by the results of research conducted by Analisa (2011) and Kusuma (2013) which states that job satisfaction has a negating effect on HR performance management.

## The Impact of Competence on Human Resources Competitiveness

From the results of the hypothesis test, it is known that the value of P-Values that form the influence of competence on human resource competitiveness is 0.003 coupled with a positive T-Statistics value of 2,965, so it is stated that competence has a negating effect on human resource competitiveness.

Competence also demonstrates the characteristics of knowledge and skills possessed or required by each individual that enables them to carry out their duties and responsibilities effectively and raises the standard of professional quality in their work (Wibowo 2014).

Competitiveness is concerned with the effectiveness of the company, i.e. whether the company can meet the needs of stakeholders. According to Noe et al (2010) human resource management refers to policies, practices, and systems influence employee behavior, attitudes, and performance. HR practices include analyzing and designing jobs, establishing HR needs, attracting potential employees, selecting employees, teaching employees how to carry out their work and preparing them for the future, rewarding employees, evaluating employee performance, creating a positive work environment.

The results of this study are supported by the results of research conducted by Analisa (2011) and Kusuma (2013) which states that competence has a

negating effect on the competitiveness of HUMAN RESOURCES.

## Influence of Competence on HR Performance Management

From the results of the hypothesis test, it is known that the value of P-Values that form the influence of competence on HR performance management is 0.611 coupled with a positive T-Statistics value of 0.510, so it is stated that competence has no negative effect on HR performance management.

Quality human resources turn vision into reality. Human resource performance management development is the entire activity of recruitment, selection, placement, training, use, maintenance and integration of personnel in an organization (Ruki, 2003). In performance-based HR management, all decisions to be made in all aspects or human resource management activities are based on or attributed to employee performance.

Competence is the basic foundation of people's characteristics and indicates how to behave, and adapt situations. According to Posuma (2013), competence is the ability to carry out work based on skills and knowledge of work. Isnain (2012) says that competence is an underlying characteristic of a person and is related to the effectiveness of an individual's performance in his or her work. Competence is the value, behavior, policy, dynamic management and structure used in working effectively by systematically involving consumers. stakeholders and society (Suparno and Sudarwati 2014).

The results of this study are not supported by the results of research conducted by Setiawan (2016) and Nur, et al (2016) which states that competence has a negative effect on HR performance management.

Strategies to Improve Competitiveness through the Implementation of Human Resource Performance Management Analytical Hierarchy Process (AHP) Methods

Based on the results of calculations that have been done showed Performance Management obtained the largest final value and ranked 1st with a 34.45% of value and Company Competitiveness in rank 2 with a final value of 15.55%. From Variable X Company Culture (X1) has the highest weight to be taken into account because it gives the highest impact then in the second position, namely Leadership (X3),third Competence (X2), and the last is Job Satisfaction (X4).

Hasl AHP test shows the scale of priorities or interests that must be improved and prioritized by Garudafood Putra Putri JayA TBK in taking policy for the company. In this study on dependent variables that should be the main focus of improvement, namely on performance management while in independent variables the Company Culture has the highest weight to be taken into account because it provides the highest impact so that these two factors can be used as consideration for the company in running its business.

#### **Managerial Implications**

The managerial implications of the discussion and results of analysis in research on strategies to improve competitiveness through the application of human resource performance management in PT. Garudafood Putra Putri Jaya Tbk. It is expected to be useful for interested parties, especially for producers. The implications in this study are as follows:

- A. From the findings in this study, it was found that company culture and competence affect the competitiveness of human resources. So it is expected that the company is able to manage the company culture well and also improve employee competence by providing opportunities to excel and perform more optimally so that human resource competitiveness can be achieved.
- B. From the findings in this study, it was found that company culture, competitiveness, leadership, and job

- satisfaction affect HR performance management. So it is expected that the company is able to manage the company culture well, improve competitiveness of the company among other competitors, wise and responsible leadership, and increase employee job satisfaction by rewarding outstanding employees and maintaining relationships with employees so that HR performance management can be implemented properly.
- C. From the findings in this study it was found that performance management obtained the most final value and ranked number one and the competitiveness of the company in the second rank. So it is expected that the company company culture, attention to the competitiveness, leadership, and job satisfaction felt by employees both materially and support provided.
- D. From the findings in this study, it was found that the company culture has the highest weight to be taken into account because it has the highest impact on increasing competitiveness through the application of human resource performance management. So it is expected that the company controls the company's corporate cultural activities so that employees feel comfortable to work, giving birth to discipline and work ethic in advancing the company.

#### **CONCLUSION**

Based on the results and discussion of the study, the study concluded as follows:

- A. The company culture becomes a positive influence on improving the competitiveness of human resources through the implementation of performance management systems in PT companies. Garudafood Putra Putri Jaya Tbk.
- B. PT Garudafood which always instills the spirit of the founder that "success is born from honesty, tenacity and perseverance accompanied by prayer" makes a good foundation in managing a company

- organization so that we see the factors of leaders have a significant effect on HR performance management. The important role of a leader is very important in producing good performance in a company, as pt. Garudafood, we can see that every year it shows an increase in sales.
- C. Employee job satisfaction does not affect the improvement of competitiveness in the company but has a significant effect on the implementation of performance management in the company.
- D. The development of human resources for the long term, is an important part of the HR department. **Employee** development is also an effective way to deal with the challenges faced by the company, including employee quality lag, job diversity, changes in agreed techniques activity and employee turnover. Employee development in the form of training to improve HR competence in skills and knowledge, in line with the company's vision of working smartly so as to help the company in working more effectively to achieve the company's goals. So that leadership, job satisfaction, competence corporate culture affect the management performance of and competitiveness of human resources in PT. Garudafood.
- E. The results of the AHP test calculation showed that Performance Management obtained the greatest final value and ranked 1st with a value of 34.45% and Company Competitiveness at 2nd with a final value of 15.55%. From Variable X Company Culture (X1) has the highest weight to be taken into account because it gives the highest impact then in the second position, namely Leadership (X3), third HR Competence (X2), and the last is Job Satisfaction (X4).

**Acknowledgement:** None

**Conflict of Interest:** None

### **Source of Funding: None**

#### REFERENCES

- Adityawarman, A.C., Salundik, and Mera, C. 2015. The Treatment of Cattle Waste Is Simple in Pattalassary Village of Sinjai Regency of South Sulawesi. Journal of Production Science and Technology of Livestock Products. Vol. 03 No. 3 October 2015 ISSN: 2303-2227.
- 2. Ahmadiansyah, Reza (2016). The influence of work motivation and job satisfaction on of the performance teachers Muhammadiyah Salatiga Vocational School. Journal. **UKSW** Master of Psychological Science Postgraduate Students
- 3. Aminah, Nur et al. 2016. Effect of Dividend Per Share, Return On Equity, Net Profit Margin, Return On Asset On Stock Prices in Real Estate And Property Companies Listed on IDX Period 2011 2013. Journal Of Accounting, Vol. 2, No.2.
- Analysis, Y. (2011). Effect of Company Size, Leverage, Profitability and Dividend Policy on Company Value (Study on Manufacturing Companies Listed on IDX 2006-2008). Thesis. UNDIP.
- 5. Anggit Astiantodkk. 2014. Effect of Work Stress and Workload on Employee Performance of PDAM Surabaya. Journal of Management Science and Research, 3(7), 1-17.
- Anggita, Sari Rizkia. 2012. Effect of Corporate Characteristics on Corporate Social Responsibility Disclosure on Manufacturing Companies Listed on the Indonesia Stock Exchange. Yogyakarta State University. Yogyakarta
- 7. Ardianto, Elvinaro. 2010. Research Methods for Quantitative and Qualitative Public Relatios. Bandung: Simbiosa Rekatama Media.
- 8. Artha,K.G.,&Setiawan,P.E.(2016). Influence of Moral Obligations, Quality of Service, Tax Sanctions on Taxpayer Compliance in KPP Bandung Utara. E-Journal of Accounting Udayana University Vol.17.2,913-937.
- Awadh, Alharbi Mohammad and Mohammed SaadAlyahya.2013.Impact of Organizational Cultureon Employee Performance.International Review Of

- Management And Business Research, Vol. 2 Issue1
- 10. Chen ES, et al. (2004) Cti1/C1D interacts with condensin SMC hinge and supports the DNA repair function of condensin. Proc Natl Acad Sci U S A 101(21):8078-83
- 11. Christilia O.Posuma, 2013, Competence, Compensation, and Leadership Influence on Employee Performance at Manado Hospital, Jurnal Emba, Vol1, No. 4 December 2013, p.
- 12. Corinne Leech. 2008, Managing performance is about managing people, within the framework of a process, to achieve the organisation's goals. http://www.hrkomunitas.com/wp-content/files/MAKALAH\_ATAS\_NAMA\_VINTA-CHRP\_5.edit.pdf (Online) on December 27, 2010.
- Dahmiri and Sakta, Kharisma. 2014. Effect of Training on Employee Performance of Sarolangun District Education Office. Mankeu Journal, Vol. 3 No. 1 2014:374-463.
- 14. Elisa Ling Dinanti, Mugi Hartoyo, Wulandari M. (2015). Effect of Passive Range Of Motion (ROM) On Increasing The Angle of Extremity Range of Motion Over Stroke Patients. Journal of nursing and midwifery sciences.
- 15. Evanita, Leny (2013), "Work Discipline, Leadership Style, Training and Employee Performance of Rsud Lubuk Linggau," Thesis, Jakarta: Esa Tunggal University.
- 16. Hall, Higson & Bullivant (2008). Aston Business School, Birmingham, UK. The Role of Undergraduate Work Placement In Developing Employment Competence: Results from a 5 year study of employers Hardjana, A.M. 2001. Effective HR training. Yogyakarta:Kanisius.
- 17. Hasibuan, M. 2003. Organization and Basic Motivation of Increased Productivity. Jakarta: Bumi Aksara
- 18. Heriyanti, Dewita. 2007. "Analysis of The Influence of Organizational Culture, Job Satisfaction, and Leadership Style on Employee Performance with Organizational Commitment as Interving Variables in PT. PLN APJ Semarang". Thesis. Semarang: Diponegoro University.
- Isnaini,L. 2010. Extraction of Natural Liquid Red Dyes Inantioksi and from Rosella Flower Peel (Hibiscus sabdariffaL) And Its Application on Food Products.

- Journal of Agricultural Technology Vol. 11 No. 1.
- 20. Juniantara, I Wayandkk. Faculty **Economics** and Business Udayana (Unud). Bali. University Indonesia. Influence of Motivation and Job Satisfaction The Performance of Cooperative Employees in Denpasar.E-Jurnal Ekonomi and Business Udayana University 4.09 (2015): 611-628611ISSN: 2337-3067
- 21. Kusuma, Arta Adi.2013. Influence of Motivation and Work Environment on The Performance of Muria Semarang Hotel Employees. UNES thesis. Semarang
- 22. Lord RG, Maher KJ. 1994. Leadership and Information Processing: Linking Perceptions and Performance (People and Organizations). New York (US): Routledge
- 23. Mangkuprawira, S.Tb., 2011, Strategic Human Resource Management, Ghalia Indonesia, Bogor.
- Nurmianto, Eko. 1996. Ergonomics: Basic Concepts and Their Applications. For Widya. Surabaya
- 25. Permadi, Rendy.; Pulungan, Linda.; Solihin.: Coal Analysis in Determining Coal Quality for Burning Cement Raw Materials at P.T. Indocement Tunggal Prakarsa, Tbk. Palimanan-Cirebon. Mining Engineering Proceedings, 2015. Gel. 2, thing. 79-86. ISSN: 2460-6499
- 26. Prabu Mangkunegara, 2008. Human Resource Management of Rosdakarya Youth Company, Bandung.
- 27. Prawironegoro, Darsono and Purwanti Ari. 2010. Corporate Budgeting. Edition 2: Techniques of Knowing and Understanding the Presentation of The Company's Budget as a Guideline for the Implementation and Control of Business Activities. Jakarta: Media Discourse Partners
- 28. Robins, Stepent P. and Timoty A. Judge. 2008. Organizational behavior. Jakarta: Salemba Four.
- 29. Qustolani, Asep, H. (2017). Effect of Work Satisfaction, Procedural Justice and Compensation on Employee Performance (Case Study on Rattan Industry Of Leuwimunding Majalengka). Vol 4 scientific journal of management and accounting: majalengka, west Java. (journal)
- 30. Raymond A. Noe, John R. Hollenbeck, Barry Gerhart, Patrick M. Wright. Human resource management: gaining a competitive advantage 6th ed.

- 31. Rivai, Veitzal., 2003, Human Resource Management for Companies: From Theory to Practice. Jakarta: PT. Rajagrafindo Persada.
- 32. Robbins, Stephen P. 2003. Organizational behavior. Index. Jakarta
- 33. Robbins, Stephen, 2006, "Organizational Behavior", Prentice Hall, tenth edition of Sabardini, 2006, "Performance Improvement Through Work Behavior Based on Emotional Intelligence", Business Review, Vol.7, No.1.
- 34. Setiawan, J. 2018. Qualitative Research Methodology. Sukabumi: CV Trace
- 35. Sihite, T. W., 2017, Strategy Analysis of PT K-24 Indonesia using Strategic Audit, taken from e-journal.uajy.ac.id/11380/1/JURNAL.pdf on March 24, 2018 at 19.00 WIB.
- 36. Simamora, Henry. 2004. Human Resource Management. Yogyakarta: STIE YKPN.
- 37. Spencer, Lyle & Signe M. Spencer. 1993. Competence at Work, Models For Superior Performance. Canada: John Wiley & Sons, Inc.
- 38. Suparno. 2001. Philosophy theory of constructivism in Education. Yogyakarta: Kanisius.
- 39. Suparno, & Sudarwati. (2014). Influence of Work Discipline Motivation and Competence on The Performance of Employees of Sragen Education Office. Paradigm Journal Vol. 12 ISSN:1693-0827.
- 40. Suyadi Prawirosentono. (2008). Human Resource Management Employee Performance Policy". Yogyakarta:BPFE
- 41. Taurisa, Chaterina Melina. Intan Ratnawati. (2012). Analysis of the Influence of Organizational Culture and Job Satisfaction on Organizational Commitment in improving Employee Performance.
- 42. Wibowo. (2011). Performance Management. Third Edition.Jakarta: PT Raja Grafindo Persada
- 43. Wibowo. (2014) . Behavior in the organization. Editions 1-2. Jakarta : Rajawali Pers
- 44. Winkler I. 2009. Contemporary Leadership Theories: Enchancing The Understanding of The Complexity, Subjectivity and Dynamic of Leadership. New York (US): Spinger Heidelberg Dordrecht London New York
- 45. Yulk GA. 2010. Leadrship in organization. New Jersey (US): Prentice Hall.

Dani Achmad Fauzi et.al. Strategy to increase competitiveness through the implementation of human resource performance management in PT. Garudafood Putra Putri Jaya Tbk.

- 46. Zariyah, Umi Wita, Utami Hamidah Nayati, et al. (2015). Influence of Organizational Culture on Employee Performance studies on Employees of PT. PLN (Persero) East Java Distribution Area Malang. Journal of Business Administration, 2(1), 1-7. Retrieved from Journal of Universitas Brawijaya
- 47. Saturn. 2010. Knowledge & Innovation: Competitive Strength Platform.Jakarta: PT Gramedia Pustaka Utama.

How to cite this article: Fauzi DA, Maarif S, Zulbainarni N. Strategy to increase competitiveness through the implementation of human resource performance management in PT. Garudafood Putra Putri Jaya Tbk. *International Journal of Research and Review*. 2021; 8(9): 345-361. DOI: https://doi.org/10.52403/ijrr.20210946

\*\*\*\*\*