

The Effect of Self-Efficacy, Competence, and Emotional Quotient on Employee Performance Through Career Development as an Intervening Variable on Companies

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ABSTRACT: The purpose of this study is to analyze the effect of self efficacy, competence, and emotional quotient on employee performance through career development as an intervening variable on private companies in Surabaya, Indonesia. This research was conducted on 98 employees as a sample. The data were gathered by survey method with questionnaire instruments and further analyzed using Partial Least Square (PLS) techniques. The results of this study showed that all formulated hypotheses of self efficacy, competence, and emotional quotient were accepted. A significant influence on career development and also on employee performance, and otherwise, carrier development had a significant effect on employee performance of the companies in Surabaya, Indonesia.

Keywords: Self-efficacy, competence, emotional quotient, career development, employee performance

1 INTRODUCTION

One of the most important resources in a company is human resources. This is due to human resources is the driving force for the success of the companies. In addition, in this sector, human resources must have the ability to carry out every company activities to achieve company goals and objectives and this requires employees who have high competence and intelligence so that not only can carry out their duties well but also can pursue a higher career, because, with career development, employees will have a hope to develop themselves in an organization.

Career Development is an individual activity or undertaken activity to prepare individuals to enhance their career as planned. Career development can affect an employee's performance. Career development is the process of identifying employee career potential and material and applying appropriate ways to develop that potential. Individual careers involve a range of choices from various opportunities, but from the perspective of organizational careers, it is a process of regenerating new tasks. Ekaningrum (2002) stated that a career is used to describe people in each role or status in the

workplace. Careers are all positions (jobs) that have individual responsibilities. To develop employee careers, some abilities need to be developed, such as competence (Soraya & Utomo, 2014), and emotional intelligence (Amilin, 2016).

Self-efficacy, according to Imawati et al. (2014), there is a significant relationship between self-efficacy and individual career development. Furthermore, the results of the research of Valentino & Himam (2014) showed that self-efficacy has a direct effect on career development. It also has a strong influence on improving employee performance. According to Bandura (1997), self-efficacy refers to beliefs related to employees' ability and willpower to achieve and complete tasks with predetermined results and time targets. Self-efficacy is one of the ability to influence how to think, how to motivate, and how to act. Individuals with high self-efficacy will be able to complete work or achieve goals from their performance (Ghufron & Risnawati, 2010). The results of Kaseger's research (2013) found that career development and self-efficacy can affect employee performance, which is in line with the results of research by Cherian & Jolly (2013) and Goleman (2009). Bandura stated that there are 3 dimensions of self-efficacy. These dimensions are magnitude,

strength, and generally, and those dimensions were used in this study.

Emotional intelligence can also improve employee performance (Goleman, 2009). Emotional quotient is the ability to recognize oneself and other people, motivate themselves, and regulate emotions in ourselves and relationships with others (Goleman, 2009). Emotional intelligence can affect employee performance (Wibowo, 2015), these findings are also supported by Shahhosseini et al. (2012) and Day & Carroll (2004); which stated that employees with high emotional quotient would achieve high performance. Goleman (2009) revealed five indicators of emotional intelligence, which are Self Awareness, Self Management, Self Motivation, Empathy/Social Awareness, and Relationship Management, and these dimensions were developed in this study.

Other than self-efficacy and emotional quotient, competencies possessed by employees are also important to be able to compete in this globalization era. Competence is basically a framework of what a person should do in his work. Makmun (2002) revealed that competence showed rational actions that can achieve objectives satisfactorily based on the specified conditions (prerequisites). While Armstrong & Baron (1998) suggested factors that influence performance, one of which is personal factors, indicated by the level of skills, competencies possessed, motivation, and individual commitment. Therefore, companies that want to develop the performance of their employees must pay attention to the competencies possessed by employees. Competence has not only an impact on performance but also career development.

Based on some of the phenomena above, this study was conducted with to analyze whether self-efficacy, emotional intelligence, and competence can increase career development and employee performance in companies in Surabaya, Indonesia. This research's novelty combines variables that form a model in developing employee careers to improving performance through the ability of employees themselves.

2. RESEARCH METHODS

This research used a quantitative approach that emphasizes testing theory through measurement with numbers and data analysis with statistics. While data collection was done through a survey method with a questionnaire instrument which already valid and reliable. The population in this study were employees in three companies that produce house appliances in

Surabaya, with 98 employees who were taken by incidental sampling.

Data analysis was performed using the Partial Least Square technique (PLS). The use of PLS is carried out with the aim of prediction. The formal model defines latent variables as the aggregate indicators. Weight estimates for creating a component score of latent variables which obtained based on how the inner model (the structural model that links between latent variables) and the outer model (the measurement model that is the relationship between the indicators and the construction) is specified. The result is the residual variance of the dependent variable. The estimated Parameter obtained with PLS can be categorized into three. First, the weight estimate is used to calculate a score of latent variables. Second, the path estimate that connects the latent variable and its indicator (loading). Third, related to the means and location parameters (regression constant values) for indicators and latent variables.

3. RESULTS AND DISCUSSIONS

Based on the results of the research conducted, it is obtained scores of each variable had a very high self-efficacy with an average value of 4.21. Furthermore, respondents also assume that they have been competent, which is shown by an average value of 3.956. While the average respondent's answers about emotional quotient got a high category, likewise for the variable of career development got an average value in the high category but he employee performance that became the sample in this study was relatively very high with a value of 4.32. This shows that employees in the sample companies are required to have high performance, no matter how big their performance and competency behavior is.

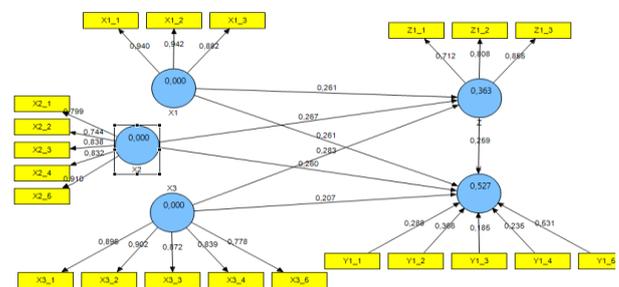


Figure 1. The Results of Structural Model

Evaluation of the measurement models is a step to evaluate the validity and reliability of a construct. The following is the evaluation of this research measurement model. The evaluation of the construct validity of the formative model was done by calcu-

lating the weight value. An instrument is valid if the value of the t-Statistics ≥ 1.96 . The results of the testing of each indicator that forms the variables of self-efficacy, competence, emotional quotient, career planning, and employee performance have shown that t-statistics values are higher than 1.96. Thus, every indicator that forms the variable is declared valid.

Evaluation of the construct validity of the reflective model was done by calculating the convergent validity and discriminant validity. Convergent validity is known through outer loading. An instrument is said to meet the test of convergent validity if it has an outer loading above 0.6. The results of convergent validity testing can be summarized that the results of the outer loading analysis show that indicators of self-efficacy, competence, emotional quotient, and career development produced a value greater than 0.6. Thus, the indicators of all variables are declared valid.

The results of the convergent validity analysis can be seen not only through loading factors, but also through average variance extracted (AVE) and communality and the results shown that the variables of self efficacy, competence, and emotional quotient, and career development produce an AVE and Communality value greater than 0.5. Thus, the indicator is declared valid to measure the variable. Furthermore, discriminant validity was calculated using cross-correlation with the criterion if the value loading factor in a corresponding variable is greater than the correlation value of the indicator on other variables then the indicator is declared valid in measuring the corresponding variable. The results of the calculation of cross-correlation are known that overall indicators of the variables of self efficacy, competence, emotional quotient, employee performance, and career development produce a loading factor that is greater than the cross-correlation on other variables. Thus, it can be stated that each indicator can measure latent variables that correspond to the indicators.

Calculations that can be used to test the construct reliability are Cronbach's alpha and composite reliability. The test criteria state that if composite reliability is higher than 0.7 and Cronbach's alpha is higher than 0.6, then the construct is declared reliable. The results of the calculation of composite reliability of every indicator in every variable show as higher than 0.6 and the value of Cronbach's alpha are known on the self-efficacy, emotional quotient, and the career development produce values higher than 0.7. This means that all indicators are declared reliable in measuring their latent variables.

Conversion of the path diagram into the measurement model can be seen through the Self-efficacy variable in this research, which consists of 2 indicators, namely magnitude and strength. The value of strength has the largest original sample value; this means that the strength indicator is the most dominant indicator of self-efficacy.

The results of the outer model analysis of the indicator measurement from the competency variable showed that competency has five indicators, which are motives (0.799), traits (0.744), self-concept (0.838), knowledge (0.832), and skill (0.91). This shows that the skill indicator is the highest contribution to the formation of the competence variable in this study.

Emotional Quotient in this study was measured by five indicators consisting of self awareness (0.896), self management (0.902), self motivation (0.872), social awareness (0.839), and relationship management (0.778), in this case, self management which has the largest original sample value, signifying that the self management indicator is the most dominant indicator of the emotional quotient.

Career development in this study was measured by education and training indicators (0.712), promotion indicator (0.808), and rotational assignment (0.855). From the three indicators, it turns out that the rotational assignment indicator has the largest original sample value, signifying that the rotational assignment indicator is the most dominant indicator of career development.

Employee's performance is measured by an indicator of the ability to work together with a value of 0.288, work quantity (0.366), and attendance (0.235). Then it is known that the ability to work together is 0.531 or 53.10%, signifying that work ability indicator is the most dominant measure of employee performance variables.

The goodness of fit model is used to determine the magnitude of the ability of endogenous variables to explain the diversity of exogenous variables. The model in PLS analysis is performed using Q-square predictive relevance (Q²), or R² is used if there is only one endogenous variable. The goodness of fit model results are summarized in the table 1.

Table 1. R Squared value

Variables	R-Square
Career development	0.363
Employee's performance	0.527

Table 1 show the results of the R-Square career development analysis of 0.363 or can be said 36.3%. This can be interpreted that the diversity of Career Development variable can be explained by self effi-

cacy, competence, and emotional quotient variables of 36.3%, or in other words the contribution by self efficacy, competence, and emotional quotient variables to career development is 36.3%, while the remaining 63.7% is contributed by other variables not discussed in this study.

The results of path coefficient output in this study can be seen in table 2 that shows the hypotheses formulated in this study are all proven to be true because the t-statistic value is greater than 1.96 so that it can be said that self-efficacy, competence, and emotional quotient variables had a significant effect on the career development of employees of companies in Surabaya, Indonesia. Likewise, the hypothesis of career development influences employee performance is also accepted because the value of t-statistics shows a value above 1.96.

Table 2. Path coefficient

H	Exogenous	Endogenous	Beta	t-stat
1	Self Efficacy	Career Development	0,261	6,162*
2	Self Efficacy	Employee Performance	0,261	4,034*
3	Competency	Career Development	0,267	4,497*
4	Competency	Employee Performance	0,260	4,506*
5	Emotional Quotient	Career Development	0,283	5,143*
6	Emotional Quotient	Employee Performance	0,207	3,144*
7	Career Development	Employee Performance	0,259	5,272*

*Sig. at $\alpha=5\%$

The results of data analysis using PLS can be seen in figure 1 and the results of Path Coefficient calculations in table 2 showed the relationship between variables as hypothesis testing, and the results are as follows:

Self-efficacy has a significant effect on career development. The results of this study support Bandura (1997), Ghufuron & Risnawita (2011), Kaseger (2013), Cherian & Jolly, (2013), Goleman (2009), and Pajares & Urdan (2006), that said employee's career development needs to be supported by an increase in employee's self-efficacy through self-development with full confidence in achieving the target, the goals, and objectives commissioned on him to achieve and a provision for getting a higher career.

Self-efficacy also has a strong influence on improving employee performance. According to Bandura (1997), self-efficacy refers to beliefs related to employees' ability and willpower to achieve and complete tasks with predetermined results and time

targets. Self-efficacy is one of the ability to influence how to think, how to motivate, and how to act. Individuals with high self-efficacy will be able to complete work or achieve goals from their performance (Ghufuron & Risnawita, 2011). Moreover, Kaseger (2013) found that career development and self-efficacy can affect employee performance as the results of research by Cherian & Jolly (2013), Goleman (2009) and Bandura (1997) which stated that the higher one's self-efficacy, the more persistent efforts are made to achieve higher performance. Bandura stated that there are 3 dimensions of self-efficacy. These dimensions are magnitude, strength, and generally (Pajares & Urdan, 2006), and those dimensions were used in this study.

Competence has a significant effect on Career Development. The result of this study supported the results of the study of Zaim et al. (2013), Wardhani et al. (2018), Makmun (2002), and Armstrong & Baron (1998) which stated that factors that influence performance is personal factors, indicated by the level of skills, competencies possessed, motivation, and individual commitment. This indicates that in order to improve employee careers, it is necessary to increase employee competency through recruitment and employee training.

Emotional quotient has a significant effect on employee performance through career development, so it can be said that the results of this study support Goleman (2009), Wibowo, (2015), Shahhosseini et al. (2012), Day & Carroll (2004), which stated that employees who have high emotional quotient will achieve high performance. Goleman (2009) revealed five indicators of emotional intelligence, which are self awareness, self management, self motivation, empathy/social awareness, and relationship management, and these dimensions were developed in this study.

Career development has a significant effect on employee performance; thus, it can be said that the results of this study support Permatasari (2006). Oduma & Susan (2014) stated that career progression has a positive impact on employee performance.

4. CONCLUSIONS

Based on the results of data analysis and discussion above, the conclusions that can be drawn are as follows: Self-efficacy is the ability to get things done according to their expectations, and it is important to increase employee performance in the companies. In addition, competence has a significant effect on career development, and employees who

have high competence will improve their performance for the better. Emotional Quotient in this research affect career development and employee performance because the results of this study proved that the Emotional Quotient has a significant effect on career development and employee performance. This research has proven that Career Development has a significant effect on performance so that employees who can develop their careers will be able to achieve high performance, the results of this study indicated that the career development of employees is in the High category and affect their performance.

This research implies that the employee's self-efficacy must get the company's attention because it can improve performance well. The institution can maintain or improve self-efficacy by providing training, facilitating discussion, and providing motivation for employees in doing work, understanding, and valuing each employee experience, both success, and failure experience because the employees' success experience will teach the employees to believe they can achieve targets and success if they try and develop a realistic attitude in facing every failure, as well as convince them that failure is temporary and from failure, they can learn to improve their performance.

For other researchers who have an interest in organizational behavior, further research is suggested about variables relating to organizational efforts in improving performance such as motivation, leadership, conflict management, and others so that the role of the organization is known in improving employee performance in the companies.

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