

Do Affective Commitment, Competency and Deming Cycle Affect the Need for Achievement and Job Performance?

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Abstract

This study aims to determine the effect of affective commitment, competency and Deming cycle to the need for achievement and job performance. The research was conducted on the field supervisor of PT Mitra Indah Lestari, a coal mining contractor company in East Kalimantan, Indonesia. Respondents who answered and returned the questionnaire were 62 respondents from 72 questionnaires distributed. This research used Partial Least Square (PLS) approach and WarpPLS software. The results show that competency and Deming cycle have significant effect on the need for achievement and job performance. While affective commitment only affects the need for achievement. The influence of affective commitment and the Deming cycle directly affect job performance, while competency affects job performance through the need for achievement.

Keywords: Affective Commitment, Competency, Deming Cycle, Need for Achievement, Job Performance.

1. INTRODUCTION

Every company always encourages employees to improve performance and need for achievement, so that targets set by the company can be achieved. The company can grow and develop sustainably if the set target is always achieved. The efforts to increase the need for achievement and job performance requires leaders who behave effectively. Gibson *et al.* (2009) states that effective leaders have the following qualities: awareness, ability, knowledge, willingness, skill, and desire to strive to achieve goals determined by the company and from corporate leaders, from the top leader to the lowest leader. In addition, management has a habit of evaluating to find the cause of unattainable production by turning a cycle of Plan Do Check Action (PDCA) or Deming Cycle. This study aims to determine the behavior of field supervisory employees as a leader, which can affect the need for achievement and their job performance. The research was conducted on the field supervisor (foreman) at PT Mitra Indah Lestari which is a coal mining contractor service company from Balikpapan, East Kalimantan, Indonesia. In the organizational structure, foreman is the lowest management representative who has the responsibility to lead and be at the forefront directly faced with the production executor at the front work. The observed behavior is adapted to the conditions and needs of the company, for instance: awareness or affective commitment, competency (ability, skill, attitude), and the habit of turning Deming cycle.

2. LITERATURE STUDIES

2.1 Affective Commitment and the Need for Achievement

Affective commitment is one of organizational commitment dimensions proposed by Allen and Mayer (1996). There are three dimensions of organizational commitment, namely: affective commitment, continuation commitment and normative commitment. Allen and Mayer (1990) also argued that affective commitment is the attitude of individual commitment to the company, and is the level of a person's psychological attachment to the company. The affective commitment possessed by the individual is an inner desire, that the individual wants to continue working. Ivancevich *et al.* (2005) states that affective commitment is a strong sense of being to recognize goals and engage in corporate tasks. Robbins and Judge (2007) states that affective commitment is a person's emotional attachment to the company and trust in company values and goals.

The need for achievement theory is proposed by McClelland (1962). The theory analyzes the most important human needs in social life: (1) need for achievement, (2) need for power, and (3) needs for affiliation. A high-achieving worker will work hard, set challenging goals, and will use all of his skills and abilities to achieve those goals. Newstrom and Davis (1997) states that an employee has a need for success and achievement, with the theory of four motivational patterns: (1) achievement is the drive to overcome challenges, to move forward, to grow, to get the best, perfection, (2) affiliation is the impetus to connect with others effectively on a social basis, (3) competence is the drive to achieve high quality work, achieve work excellence, problem-solving skills, and strive to innovate, not to be outdone by the work of others, (4) power is the impulse to influence others.

Stephens (2012) examined the relationship between organizational commitment and motivation to lead. The result showed that affective commitment has a negative relationship with motivation to lead. Tella *et al.* (2007) found a negative correlation between organizational commitment and work motivation.

H₁: *Affective commitment affects the need for achievement.*

2.2 Affective Commitment and Job Performance

Meyer *et al.* (1993) stated that affective commitment has a more real impact on job performance. Job performance is an action or behavior of an employee that can be observed in relation to company goals (Campbell *et al.*, 1993). Robbins and Stephen (2007) states there are five indicators to measure job performance of individual employees: (1) Quality of work, measured by employee perceptions of the quality of work related to the degree of error and accuracy; (2) Quantity is the number of jobs generated or the number of completed activity cycles; (3) Timeliness is the level of completion of activity expressed by the beginning and the end of time, judging by the output and maximizing the time available for other activities; (4) Effectiveness is the ability to use company resources (energy, cost, methods, raw materials); (5) Independence is the ability and commitment of an employee in performing its work function.

Khan *et al.* (2010) found that all dimensions of organizational commitment consisting of affective commitment, commitment commitment, normative commitment, have a positive relationship with employee job performance. The research of Memari *et al.* (2013) also showed the same result.

H₂: *Affective commitment affects job performance.*

2.3 Competency and the Need for Achievement

Competency is a combination of knowledge, skills and abilities. In the context of Human Resources management, the term competency refers to the characteristic of someone who makes it successful in the work. According to McAshan (1981), competency can influence motivation, including need for achievement, because competency is a knowledge, skill, and ability possessed or achieved by someone who becomes part of himself, so as to perform certain cognitive, affection, and psychomotor behaviors. Cognition is all about brain activity. Then proceed with psychomotor behavior that is the domain of skill or ability to act. Affection is the domain of feelings, attitudes, interests, emotions and values.

The theory has in common with the needs theory proposed by Abraham Maslow (Gibson *et al.*, 2012). Every human being has five basic needs: (1) physiological needs, (2) security needs, (3) social needs, (4) reward needs and (5) the need for self-actualization. The need for self-actualization is a need to use the ability, skill, potential, the need to argue by expressing ideas, giving judgment and criticism of something, as well as the desire to perform. The need for self-actualization is in dire need of competence.

H₃: *Competency affects the need for achievement.*

2.4 Competency and Job Performance

Becker *et al.* (2001) stated that competency is a combination of individual knowledge, skills, abilities, or personal characteristics that directly affect employee job performance. Davis (1964) stated that: *human performance = ability + motivation; motivation = attitude + situation; and ability = knowledge + skill*. Ability consists of the potential ability (IQ) and the ability of reality (*knowledge + skill*). Spencer and Spencer (1993) stated that competency is a basic characteristic of individual behavior related to job performance criteria that is effective or superior in carrying out the work. Armstrong (2012) stated that competency includes characteristics of individual behavior that can indicate the role in carrying out its work to improve job performance. Competency is an individual behavior that can affect job performance, which is analyzed by competency analysis.

Setyaningdyah *et al.* (2013) found that competency has no effect on job performance. While Lotunani *et al.* (2014) stated that organizational commitment and competency have a positive relationship with job performance. Srikaningsih and Setyadi (2015) also showed that competency has a significant influence on job performance.

H₄: *Competency affects job performance.*

2.5 The Deming Cycle and the Need for Achievement

The Deming cycle is a systematic method for continuous process improvement based on the principle that an employee needs to understand the process of corrective action, before undertaking corrective measures (Deming, 1986). The Deming Cycle includes Plan, Do Check and Action (PDCA).

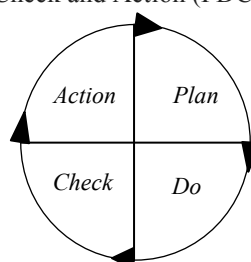


Figure 1. Deming Cycle (Deming, 1986)

The Deming cycle always plays to determine the cause of failure and success. Plan is the stage to set company goals to be achieved, determine ways or methods to achieve them, form a team, determine the time and set the machines and equipment to be used, and the costs to be incurred. Do is the implementation stage that includes the process that corresponds to the plan and collects the data for use in the next process. Check is the examination stage and performs a comparison between the results of the Do to the planned goals, including the predefined schedule, as well as check and review the methods that have been implemented. Action is the step of improvement if the achievement is not in accordance with the objectives to be achieved.

George and Jones (2012) stated that someone who has a high need for achievement will have a specific mindset to do something, that will require a job that is quite challenging or not. If the work is challenging, it will be thought of, the opportunities and threats that may be used in achieving that goal and determine the strategy to be undertaken. This thinking pattern is an implementation of the Deming cycle.

Schunk, *et al.* (2008) stated that motivation is the process whereby goal-directed activity is instigated and sustained. Motivation requires both physical and mental activity. Physical activity, namely doing business, fortitude, and the use of skills. Mental activities, namely the use of knowledge, planning, organizing, monitoring, decision making, and problem solving. Matsuo and Nakahara (2013) research suggests that the twisting influence of PDCA increases learning interest for OJTs in the learning areas.

H₅: *The Deming cycle affects the need for achievement.*

2.6 The Deming Cycle and Job Performance

Job performance can be measured in terms of job understanding, quality and quantity of work, planning and organizing, initiative, problem solving, teamwork and cooperation, ability to connect with others, oral and written communications (Dessler, 2013). It is the same as the ability to implement the Deming Cycle, especially those related to the following:

- (1) Planning and organizing: setting clear goals based on company goals, identifying resources needed to achieve goals and objectives.
- (2) Initiatives: show responsibility when carrying out duties and obligations, ready to help to support company goals and objectives, work on time.
- (3) Problem solving and creativity: being able to identify problems and analyzing them, being able to find solutions, able to perform and recommend remedial steps, be able to follow-up corrective measures to resolve problems.

Gibson *et al.* (2012) stated that employees with high job performance have 6 characteristics: (1) high responsibility; (2) dare to take risks; (3) realistic goals; (4) comprehensive work plan and strives to realize its objectives (Plan-Do); (5) utilizing concrete feedback in all of its work activities (Check); (6) seeks the opportunity to realize the plan that has been programmed (Do).

Sidhu and Bajaj (2013) found that the Deming cycle helps the implementation of "5S", (Sorting, Straighten, Sweeping, Standardizing, Sustaining) to improve job performance. The research of Chakraborty (2016) also showed the same result.

H₆: *The Deming cycle affects job performance.*

2.7 The Need for Achievement and Job Performance

Achievement motive is an impulse inside the employee to perform an activity or tasks as well as possible in order to achieve job performance with a commendable predicate. Chung and Megginson (1981) argued that the process of motivation begins with the need. Then motivation efforts will appear, and added capabilities that will affect the level of Job Performance. Collins *et al.* (2004) found that need for achievement has a significant relationship with job performance. But Salleh *et al.* (2011) indicated that needs for achievement and power have no significant relationship with job performance, but need for affiliation has a significant relationship with job performance.

H₇: *The Need for achievement affects job performance.*

3. RESEARCH METHODS

This research uses a quantitative approach with research instruments in the form of questionnaires, with data collection through survey method. The research variables are exogenous variable consisting of affective commitment, competency and the Deming cycle; as well as endogenous variables consisting of the need for achievement and job performance. The research population is all employees of the field supervisor (foreman level) at PT Mitra Indah Lestari, a coal mining contractor company in East Kalimantan, Indonesia.

Sampling technique using Stratified Area Random Sampling. The data were collected at four locations, namely PT Lana Harita Indonesia (28), PT Singlurus Pratama Site Merdeka (15), PT Singlurus Pratama Site Mutiara (15) location and PT Pasir Prima Coal Indonesia (14). From the 72 questionnaires distributed, those who fill and return the questionnaire are 62 respondents. The study period is from January to February 2017.

The concept model of the following research will explain the relationship among variables used in the research through theoretical approach and empirical support to build the hypothesis which will then be tested using statistical analysis tools in this study.

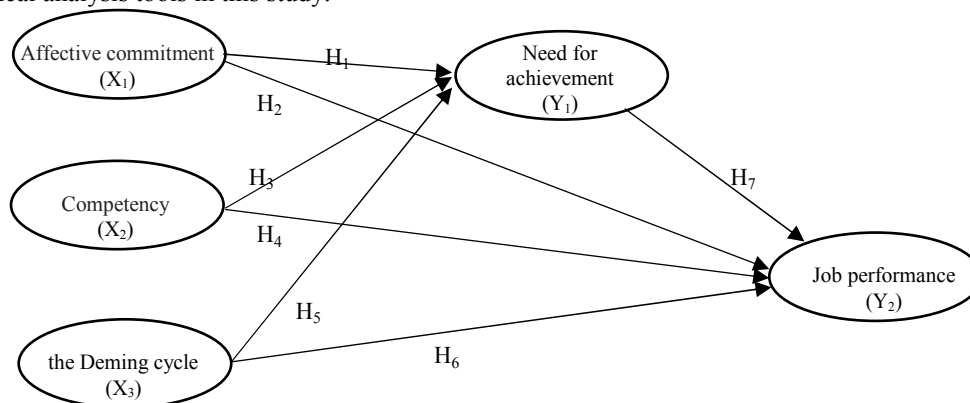


Figure 2. Research Conceptual Model

This research uses Partial Least Square (PLS) approach with WarpPLS software. The use of PLS is because the purpose of this study is to predict the relationship between constructs and the number of samples used is not necessarily large.

4. FINDINGS

The test results show the value of APC = 0.240, P <0.001; ARS = 0.476, P <0.001; and AARS = 0.457, P <0.001. And the AFVIF value as a multicollinearity indicator is smaller than 5. This indicates that all measures of the fit and quality indices model are satisfied so that the model is said to be good and can be used to explain the studied phenomena and for hypothesis testing.

Table 1. Hypotheses Testing Results

| No | The relationship between variables | | Path coefficient | p-value | Remark | |
|--------------------------------|------------------------------------|----------------------|---------------------|------------------|---------------|---------------|
| 1 | Affective commitment | Need for achievement | 0.176 | 0.007 | Significant | |
| 2 | Affective commitment | Job performance | 0.013 | 0.432 | Insignificant | |
| 3 | Competency | Need for achievement | 0.411 | 0.001 | Significant | |
| 4 | Competency | Job performance | 0.183 | 0.005 | Significant | |
| 5 | The Deming cycle | Need for achievement | 0.232 | 0.001 | Significant | |
| 6 | The Deming cycle | Job performance | 0.454 | 0.001 | Significant | |
| 7 | Need for achievement | Job performance | 0.213 | 0.001 | Significant | |
| Testing of Mediation Variables | | | | | | |
| | Explanatory Variables | Mediation Variables | Dependent Variables | Path coefficient | p-value | Remark |
| 1 | Affective commitment | Need for achievement | Job performance | 0.037 | 0.235 | Non mediation |
| 2 | Competency | Need for achievement | Job performance | 0.087 | 0.044 | Mediation |
| 3 | The Deming cycle | Need for achievement | Job performance | 0.049 | 0.169 | Non mediation |

5. DISCUSSION

From the 7 hypotheses proposed in this study, there is one that is not appropriate, that is affective commitment has no effect on job performance, but affects the need for achievement. But there is a tendency that the higher the affective commitment, the higher the job performance.

The study found that affective commitment has no effect on job performance. Thus it does not support pre-existing theories and previous research which stated that affective commitment has a positive effect on job performance. Empirical conditions in the field show that job performance is more influenced by the willingness, ability and attitude of the employees. Dynamic activity in the field requires quicker and more precise action and steps (timely, precise and targeted) so that commitment is not so concerned. However, the positive marked path

coefficient shows only tendency. The results of this study have reconstructed or operationalized the job performance theory (Davis, 1964). Practically, *knowledge + skill + attitude* affects job performance.

The test of the mediation variable shows that the influence of affective commitment and the Deming cycle directly affect job performance. While competency affects job performance through the need for achievement.

In sum, the limitations in this research model are only address the one-way effect of exogenous variables on endogenous variables, with relatively small sample quantities and limited research period, can be developed for further research to enrich theories and concepts related to motivation and job performance.

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