The Role of Leadership and Competence in Improving Work Motivation and Performance of Cooperative Employees

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ABSTRACT: The purpose of this study was to determine the effect of leadership and competence on employee motivation and performance at the Indonesian Employee Cooperative Center (PKP-RI) Jember Regency. This research is a quantitative research with a survey approach and uses a measuring instrument in the form of a questionnaire. The population is all employees of PKP-RI Jember Regency, totaling 130 people, all of which are used as research samples, so they are called saturated samples. Instrument testing using validity and reliability tests. The analytical technique used in this research is the Structural Equation Model (SEM) using WarpPLS. The results of the analysis show that leadership and competence have an effect on work motivation. Competence has no effect on employee performance, while work motivation and leadership affect the performance of PKP-RI employees in Jember Regency.

KEYWORDS: Leadership, Competence, Employee Performance and Work Motivation

I. INTRODUCTION

There are three economic sectors that handle various business activities in economic life. The three sectors of economic power are the state sector, the private sector and the cooperative sector. To achieve a just and prosperous society, the three sectors of economic power must be interconnected and cooperate well and regularly. In carrying out the appropriate economy is a cooperative. According to Law Number 25 of 1992 concerning cooperative principles, cooperatives as people’s economic organizations aim to promote the welfare of members in particular and society in general and to participate in building the national economic order in order to create an advanced, just and prosperous society based on Pancasila and the Law. 1945 Constitution. By taking into account the position and objectives of the cooperative, it can be seen that the role of cooperatives is very important in growing and developing the economic potential of the people. In the current era of globalization, people are required to always do their best to meet their needs. Cooperatives are business entities whose birth was based on the mind as a business group of people, not a collection of capital. Therefore, cooperatives cannot be separated from the efficiency measure for their business, even though the main goal of cooperatives is to try to increase the prosperity of its members. In order to achieve this goal, cooperatives always strive to be able to work efficiently, so that any costs incurred in the field of organization must be covered by the income of the cooperative as a company. Although cooperatives are business entities that prioritize the interests of their members, cooperatives still have to improve organizational performance in both financial and non-financial fields. This is because the current business competition is increasing. The success of cooperatives can be seen from the main performance indicators (“https://mitradhuafa.com/5-indikator-kinerja-utama-koperasi/,” 2019). There are 5 indicators of cooperative performance, namely (1) the first indicator in measuring cooperative performance is the application of cooperative principles; (2) the second indicator is found in the common business or economic interests of members; (3) the next third indicator is the commitment of cooperative members; (4) the fourth indicator is about service, where the cooperative’s business relationship to its members is of a service nature, not just an ordinary buying and selling transaction; (5) The last or fifth indicator as the main performance indicator of cooperatives is cooperation.

To achieve the performance indicators of this cooperative, it takes the best performance than cooperative employees. Performance can be interpreted as the work achieved by a person in carrying out the tasks assigned to him based on skills, experience, and seriousness and time (Hasibuan, 2018). Whereas (Mangkunegara, 2010) said that performance is the result of work in quality and quantity achieved by an employee in carrying out his duties in accordance with the responsibilities given to him. Performance is the result of work that can be achieved by a person or group of people in an organization in accordance with
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their respective authorities and responsibilities, in an effort to achieve the goals of the organization concerned, not violating the law and in accordance with morals and ethics. (Azhad, Anwar, & Qomariah, 2015). (Mathis & Jackson, 2011) states that performance is basically what employees do and don’t do. Employee performance is what affects how much they contribute to the organization which includes: output quantity, output quality, output period, attendance at work, cooperative attitude. In improving employee performance is influenced by several factors. Factors that are predicted to increase employee performance include: leadership factors, employee competencies and work motivation.

One of the factors that can improve a person’s performance at work is the leadership in the organization. (Nawawi, 2008) states that leadership is the ability of a person (i.e. leader or leader) to influence others (i.e. those who are led or his followers), so that other people behave as desired by the leader. Leadership in terms of Islamic teachings, is an activity to guide, guide, guide, and show the way that is blessed by Allah SWT. Leaders and managers, especially the top leaders and top managers, are the determining factors in the success or failure of an organization and business. Whether in the business world or in education, health, corporate, religious, social, political, state government, and others, the quality of leaders determines the success of an institution or organization (Simamora, 2006). Leadership if it is associated with employee performance in an organization is very closely related. Leaders who can set a good example for employees will do the best work for the organization. A good leader is a leader who can invite employees to be able to improve individual performance and organizational performance. There have been many studies linking leadership and performance. Study (Sugiyatmi, Minarsih, & Edward Gagah, 2016), (Wardani, Cahyono, & Herlambang, Toni Qomariah, 2017), (Hafifi, Qomariah, & Arifin, 2018), (Syar’oni, Herlambang, & Cahyono, 2018), (Priyono, Qomariah, & Winahyu, 2018), (Andriani, Kesumawati, & Kristiawan, 2018), (Kurniawati & Tobing, 2019), (Qomariah, Hermawan, Isnaini, & Azhad, 2020), (Chandra et al., 2020), (Qomariah, Warsi, & Sanosra, 2020) stated that leadership has a positive effect on teacher performance. While research (Qomariah, 2012) states that leadership has no effect on lecturer performance.

The next factor that can also improve employee performance is employee competence. Competence is the ability to carry out a job or task based on knowledge and skills and supported by the work attitude required by the work itself (Azhad et al., 2015). Competence is a basic characteristic of a person that allows him to provide superior performance in certain jobs, roles and situations. In other words, the relationship of human resource development competence with performance, shows that competence is often used as the main criterion to determine the work of employees such as professional, managerial or senior managers. (Sutrisno, 2015). Competence is a characteristic that is related to the effectiveness of individual performance when doing work or basic characteristics related to casual or causality with criteria that become a reference, performing effectively at work or in certain situations. Competence is an individual's ability to carry out something as a result of the learning process (Hutapea, 2008). The relationship between employee competence and employee performance is very close, because employees who have competence according to their expertise in their work will be able to complete the job very well. Vice versa, employees who do not have competence in the field of work will produce work that is sometimes not as expected by the organization. Study (Pinca, 2015), (Rande, 2016), (Ataunur & Ariyanto, 2015), (Setiawati, 2017), (Adam & Kamase, 2019), (Mustikawati & Qomariah, 2020), (Prahianwan, Sultan, & Tirtayasa, 2017), (Rahim, Syech, & Zahari, 2017), (Mananeke, Mandey, & Mufidah, 2014) states that the competencies possessed by employees can improve employee performance. While research (Bahri, Basalamah, Kamse, & Bijang, 2018) states that competence has no effect on employee performance in an organization.

Work motivation is also a factor that can improve a person's performance in an organization. Several definitions of motivation can be quoted from several textbooks. (Robbins & Coulter, 2010) argues that motivation is the desire to do as a willingness to expend a high level of effort for organizational goals, which is conditioned by the ability of that effort to meet an individual need. In organizational life, including working life in business organizations, the aspect of work motivation includes: output quantity, output quality, output period, attendance at work, cooperative attitude. Study (Ardianti, Qomariah, & Wibowo, 2018), (Mayang-sari, Restianti, Saputra, & Rahadi, 2020), (Sari, Qomariah, & Setyowati, 2020), (Hidayah & Tobing, 2018), (Istanti, Gs, Budianto, Noviandari, & Sanusi, 2020), (Basalamah, 2017), (Perrma, Ama, Ariyanto, & Nurmahdi, 2019), (Atikah & Qomariah, 2020), (Kurniawon, Qomariah, & Winahyu, 2019), (Wijianto, Cahyono, & Qomariah, 2020), (Utomo, Qomariah, & Nursaid, 2019), (Qomariah, Hermawan, et al., 2020), (Harin, 2014), (Djamaludin, 2009), (Sujana, 2012) states that
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The work motivation of employees can improve employee performance. Study (Muhammad Arifin, 2015) and (Astuti, Subagyo, & Adriyanto, 2011) states that work motivation cannot improve employee performance.

Employee performance is a factor that needs attention from the organization in order to compete with other organizations. In addition to employee performance, what also needs attention is the motivation of employees at work. The work motivation of these employees needs to get attention from the leadership of the organization. This is because if employees have good work motivation then employee performance will also be good. (Mangkunegara, 2010) suggests that there are 2 (two) techniques for motivating employees, namely: (1) techniques for meeting employee needs, meaning that fulfilling employee needs is the fundamental underlying work behavior. (2) persuasive communication technique, is one of the techniques to motivate employees' work which is done by influencing employees extra logically. This technique is formulated with the term "AIDNAS" namely Attention, Interest, Desire, Decision, Action, and Satisfaction. In its application, the leader must first pay attention to employees about the importance of the goals of a job so that employees' interest in the implementation of work arises. Thus, employees will work with high motivation and feel satisfied with the results of their work. Many factors can increase the work motivation of an employee. Several factors that allegedly can increase employee motivation are leadership and employee competence.

One of the factors that can increase employee motivation is leadership in an organization. Leadership is a science that studies comprehensively about how to direct, influence, and supervise others to do tasks in accordance with planned orders. Leaders and leadership are like a coin that cannot be separated, in the sense that they can be studied separately but must be seen as one unit. A leader must have a leadership spirit, and the leadership spirit possessed by a leader cannot be obtained quickly and immediately but is a process that is formed from time to time until it finally crystallizes in a characteristic (Hasibuan, 2016). Several studies on the relationship between leadership and work motivation have been carried out and the results show that there is support and there is conflict between one study and another. Study (Belr hiti, Damme, Belalia & Marchal, 2020; Demirhan, Gezginci, & RN, 2020; Fonseca & Costa, 2020; Im an & Lestari, 2019; Khaliq, Usman, & Ahmed, 2021; Sappe, Rante, Tuhumena, & Bharanti, 2016; M. Siagian, 2018; Susanthi & Setiawan, 2014) states that leadership can increase employee motivation in working in an organization.

The next factor that can also increase employee motivation in an organization is the competence or expertise possessed by employees. Competence is a person's knowledge, skills, and abilities to complete their tasks cognitively, effectively, and psychomotorically as well as possible (Hutapea, 2008). According to competency theory and performance theory, if someone has expertise or competence in accordance with the field of work, then the work motivation of the employee will increase because the employee has self-confidence that he can complete his duties well. Several studies linking competence with work motivation have been carried out with mixed results. Study (Meidita, 2019; Ngattemin & Arumwati, 2012; Prahiawan et al., 2017; Rahim et al., 2017; Zubaidah, 2016), (Indarti, 2018; Parashakti, Fahlevi, & Ekh san, 2020; Supriadi, Suharto, & Sodikin, 2018) states that employee competence can increase employee work motivation.

The Center for Cooperative Employees of the Republic of Indonesia (PKP-RI) Jember Regency PKP-RI houses 65 cooperatives and as many as 17,541 active members. Several business units were developed by (PKP-RI) Jember Regency in order to improve the welfare of cooperative members. The financial performance (PKP-RI) of Jember Regency for the last 5 (five) years is shown in Table 1.

Table 1. Cooperative Income (PKP-RI) Jember Regency

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Income (IDR)</th>
<th>% Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>48.051.055.778</td>
<td>-</td>
</tr>
<tr>
<td>2017</td>
<td>48.605.472.890</td>
<td>1,2 %</td>
</tr>
<tr>
<td>2018</td>
<td>48.834.672.879</td>
<td>0,5 %</td>
</tr>
<tr>
<td>2019</td>
<td>51.961.165.921</td>
<td>6,4%</td>
</tr>
<tr>
<td>2020</td>
<td>57.186.254.077</td>
<td>10,1%</td>
</tr>
</tbody>
</table>

Source: (PKP-RI) Jember Regency

Based on the data in Table 1. it can be concluded that the income of cooperatives has increased, but the increase is not consistent and significant. From the percentage increase, it can be seen that the increase is not stable, it can be considered that the performance of employees in carrying out their duties is less than optimal so that the percentage increase in income cannot be optimized every year. Based on the theory of improving employee performance and motivation based on competence and leadership in organizations that exist in the institution or organization and also based on research that has been carried out by...
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several researchers and based on the problems contained in the PKP-RI Jember Regency, the research hypothesis that can be developed in this research, there are 5 (five) research hypotheses. The hypotheses in this study are:

H1: Leadership has an effect on employee work motivation.
H2: Competence affects employee work motivation
H3: Employee competence has an effect on employee performance.
H4: Leadership has an effect on employee performance.
H5: Work motivation affects employee performance

Based on the research hypothesis that has been developed, the conceptual framework of this research is presented in Figure 1.

Figure 1. Conceptual Framework

The research conducted at PK-PRI Jember Regency has 5 (five) objectives, namely: (1) to determine the influence of leadership on work motivation; (2) to determine the effect of competence on work motivation; (3) to determine the influence of leadership on employee performance; (4) to determine the effect of competence on employee performance; (5) to determine the effect of work motivation on employee performance. The theoretical contribution of this research to the study of human resource management is related to increasing work motivation and employee performance. This research also contributes to the PK-PRI Jember regency organization related to increasing employee motivation and performance.

This study uses a quantitative approach, where this approach basically uses a deductive-inductive approach. This approach departs from a theoretical framework, the ideas of experts, as well as the understanding of researchers based on their experiences, then developed into problems and proposed solutions to obtain justification (verification) or rejection in the form of field empirical data documents (Sugiyono, 2013). There are 3 (three) kinds of variables in this study, namely independent variables (leadership/X1 and competence/X2). The second is the intervening variable (motivation/Z), and the third is the dependent variable (employee performance).

The population in this study were all operating employees under the auspices of the Republic of Indonesia Employee Cooperative Center (PKP-RI) Jember Regency, totaling 130 members. (Arikunto, 2013) states that if the sample is less than 100, it is better to take all of them. However, if the number of subjects is large, it can be taken between 10% - 15% or 20% - 25% or more. Referring to the opinion above and based on the considerations that have been put forward, the number of samples used is 130 respondents. Thus the sampling technique used in this study is saturated sampling or census.

This study uses data analysis techniques with Partial Least Square (PLS) analysis tools. (Ghozali, 2016) states Partial Least Square PLS is a powerful analytical method because it does not assume the data must be with a certain scale measurement, the data can be nominal, categorical, ordinal, interval and ratio, the number of samples is small. Partial Least Square (PLS) is an analytical method that is soft modeling because it does not assume the data must be with a certain scale measurement, which means the number of samples can be small (under 100 samples). Analysis of PLS is carried out in three stages: (1) analysis of the outer model; (2) inner model analysis; (3) and hypothesis testing.
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IV. RESULT AND DISCUSSION

Research Variable Descriptive Statistics Results

Leadership Variables

The first indicator of leadership (X1.1) is dominated by agreeable answers with a frequency of 85 respondents or 65.38%. In the second indicator (X1.2), dominated by agreeable answers with a frequency of 106 respondents or 81.54%. In the third indicator (X1.3), dominated by answers agree with the frequency of 74 respondents or 56.92%. In the fourth indicator (X1.4), dominated by agreeable answers with a frequency of 94 respondents or 72.31%. In the fifth indicator (X1.5), dominated by agreeable answers with a frequency of 85 respondents or 65.38%. In the sixth indicator (X1.6), dominated by answers agree with 87 respondents or 66.92%. In the seventh indicator (X1.7), dominated by answers agree with 90 respondents or 69.23%. In the eighth indicator (X1.8), dominated by agreeable answers with a frequency of 83 respondents or 63.85%.

Competence Variables

The results of descriptive statistical analysis for the competence variable for the first indicator (X2.1), were dominated by strongly agree answers with a frequency of 58 respondents or 44.62%. In the second indicator (X2.2), dominated by agreeable answers with a frequency of 63 respondents or 48.46%. In the third indicator (X2.3), dominated by agreeable answers with a frequency of 63 respondents or 48.46%. In the fourth indicator (X2.4), dominated by agreeable answers with a frequency of 63 respondents or 48.46%.

Motivation Variables

The results of the descriptive statistical analysis for the motivation variable in the first indicator (Z.1), were dominated by agreeable answers with a frequency of 115 respondents or 88.46%. In the second indicator (Z.2), dominated by agreeable answers with a frequency of 99 respondents or 76.15%. In the third indicator (Z.3), it is dominated by agreeable answers with a frequency of 104 respondents or 80%. In the fourth indicator (Z.4), it is dominated by agreeable answers with a frequency of 104 respondents or 80%. In the fifth indicator (Z.5), dominated by agreeable answers with a frequency of 105 respondents or 80.77%. In the sixth indicator (Z.6), dominated by the answer agree with 98 respondents or 75.38%.

Employee Performance Variables

The results of descriptive statistical analysis for employee performance variables are known to be the first indicator (Y.1), dominated by agreeable answers with a frequency of 63 respondents or 48.46%. In the indicator (Y.2), it is dominated by agreeable answers with a frequency of 73 respondents or 56.15%. In the third indicator (Y.3), it is dominated by agreeable answers with a frequency of 68 respondents or 52.31%. In the fourth indicator (Y.4), it is dominated by agreeable answers with a frequency of 60 respondents or 46.15%. In the fifth indicator (Y.5), dominated by agreeable answers with a frequency of 55 respondents or 42.31%. In the sixth indicator (Y.6), it is dominated by the answer agreeing with 50 respondents or 38.46%.

INDUCTIVE STATISTICAL ANALYSIS RESULTS

Convergent Validity

Convergent validity is an analytical tool that aims to test the correlation between indicators and constructs. This test uses 2 (two) indicators, namely reliability indicators and convergent validity. Indicator reliability can be seen from the correlation between the indicator score and the construct score (loading factor) with the criteria for the loading factor value of each indicator greater than 0.7 so that it can be said to be valid. The convergent validity indicator of the measurement model can be seen from the Average Variance Extracted (AVE) with the criteria for the AVE value greater than 0.5 (Ghozali, 2013). The convergent validity value is presented in Table 1. Based on the data in Table 1., it can be seen that the convergent validity value for all variables is above 0.7 so it can be concluded that all variables meet the convergent validity criteria.

Table 1. Convergent Validity of Research Variables

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Normalized Pattern Loading</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>KP(X1.1)</td>
<td>0.805</td>
<td>Valid</td>
</tr>
<tr>
<td>KP(X1.2)</td>
<td>0.747</td>
<td>Valid</td>
</tr>
<tr>
<td>KP(X1.3)</td>
<td>0.834</td>
<td>Valid</td>
</tr>
<tr>
<td>KP(X1.4)</td>
<td>0.802</td>
<td>Valid</td>
</tr>
<tr>
<td>KP(X1.5)</td>
<td>0.771</td>
<td>Valid</td>
</tr>
<tr>
<td>KP(X1.6)</td>
<td>0.782</td>
<td>Valid</td>
</tr>
</tbody>
</table>
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Discriminant Validity
Measurement of discriminant validity can be done by comparing the value of the square root of the AVE with the correlation between constructs in the model with the criterion that the value of the square root of AVE must be greater than the correlation between constructs. The next criterion is Discriminant Validity where the value is obtained from cross loading measurements with latent constructs. If the correlation of the construct with the measurement is better than the value of the other constructs, then the indicator is better than the other constructs. Discriminant validity can also be measured by looking at the value of the square root average extracted (AVE) (Arikunto, 2013). In this study, the criteria used is to see the value of cross loading.

Table 2. Discriminant Validity With Cross-Loadings

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Leadership</th>
<th>Competence</th>
<th>Work Motivation</th>
<th>Employee Performance</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>KP(X1.1)</td>
<td>0.805</td>
<td>0.675</td>
<td>0.752</td>
<td>0.703</td>
<td>Valid</td>
</tr>
<tr>
<td>KP(X1.2)</td>
<td>0.747</td>
<td>0.579</td>
<td>0.668</td>
<td>0.645</td>
<td>Valid</td>
</tr>
<tr>
<td>KP(X1.3)</td>
<td>0.834</td>
<td>0.653</td>
<td>0.769</td>
<td>0.752</td>
<td>Valid</td>
</tr>
<tr>
<td>KP(X1.4)</td>
<td>0.802</td>
<td>0.650</td>
<td>0.795</td>
<td>0.662</td>
<td>Valid</td>
</tr>
<tr>
<td>KP(X1.5)</td>
<td>0.771</td>
<td>0.655</td>
<td>0.764</td>
<td>0.624</td>
<td>Valid</td>
</tr>
<tr>
<td>KP(X1.6)</td>
<td>0.782</td>
<td>0.739</td>
<td>0.741</td>
<td>0.718</td>
<td>Valid</td>
</tr>
<tr>
<td>KP(X1.7)</td>
<td>0.815</td>
<td>0.675</td>
<td>0.782</td>
<td>0.727</td>
<td>Valid</td>
</tr>
<tr>
<td>KP(X1.8)</td>
<td>0.822</td>
<td>0.651</td>
<td>0.789</td>
<td>0.616</td>
<td>Valid</td>
</tr>
<tr>
<td>KM(X2.1)</td>
<td>0.759</td>
<td>0.808</td>
<td>0.610</td>
<td>0.611</td>
<td>Valid</td>
</tr>
<tr>
<td>KM(X2.2)</td>
<td>0.747</td>
<td>0.673</td>
<td>0.645</td>
<td>0.578</td>
<td>Valid</td>
</tr>
<tr>
<td>KM(X2.3)</td>
<td>0.723</td>
<td>0.844</td>
<td>0.710</td>
<td>0.715</td>
<td>Valid</td>
</tr>
<tr>
<td>KM(X2.4)</td>
<td>0.663</td>
<td>0.799</td>
<td>0.664</td>
<td>0.637</td>
<td>Valid</td>
</tr>
<tr>
<td>MK(Z.1)</td>
<td>0.829</td>
<td>0.758</td>
<td>0.839</td>
<td>0.673</td>
<td>Valid</td>
</tr>
<tr>
<td>MK(Z.2)</td>
<td>0.820</td>
<td>0.762</td>
<td>0.851</td>
<td>0.704</td>
<td>Valid</td>
</tr>
<tr>
<td>MK(Z.3)</td>
<td>0.799</td>
<td>0.681</td>
<td>0.811</td>
<td>0.763</td>
<td>Valid</td>
</tr>
<tr>
<td>MK(Z.4)</td>
<td>0.767</td>
<td>0.645</td>
<td>0.798</td>
<td>0.639</td>
<td>Valid</td>
</tr>
<tr>
<td>MK(Z.5)</td>
<td>0.782</td>
<td>0.669</td>
<td>0.866</td>
<td>0.726</td>
<td>Valid</td>
</tr>
<tr>
<td>MK(Z.6)</td>
<td>0.748</td>
<td>0.673</td>
<td>0.828</td>
<td>0.771</td>
<td>Valid</td>
</tr>
<tr>
<td>KK(Y.1)</td>
<td>0.646</td>
<td>0.622</td>
<td>0.649</td>
<td>0.818</td>
<td>Valid</td>
</tr>
<tr>
<td>KK(Y.2)</td>
<td>0.745</td>
<td>0.671</td>
<td>0.728</td>
<td>0.836</td>
<td>Valid</td>
</tr>
</tbody>
</table>
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<table>
<thead>
<tr>
<th>Variable</th>
<th>Cronbach's Alpha</th>
<th>Composite Reliability</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>X1</td>
<td>0.918</td>
<td>0.933</td>
<td>Reliable</td>
</tr>
<tr>
<td>X2</td>
<td>0.851</td>
<td>0.899</td>
<td>Reliable</td>
</tr>
<tr>
<td>Z</td>
<td>0.911</td>
<td>0.931</td>
<td>Reliable</td>
</tr>
<tr>
<td>Y</td>
<td>0.888</td>
<td>0.915</td>
<td>Reliable</td>
</tr>
</tbody>
</table>

Composite Reliability

Composite reliability is used to measure the consistency of the instrument using WarpPLS 3.0 software. The value of composite reliability is indicated by the value of composite reliability and Cronbach's Alpha. A construct is declared reliable if the composite reliability value is > 0.70 and Cronbach's alpha > 0.60 (Solihin & Ratmono, 2013). The results of the composite reliability test are presented in Table 3. Based on Table 3., a significant composite reliability value was obtained from each variable, namely leadership (0.933), competence (0.899), employee performance (0.915), work motivation (0.931). The value of Cronbach's Alpha also shows significant results, namely leadership (0.918), competence (0.851), employee performance (0.888), work motivation (0.911). All composite reliability values show numbers more than 0.70 and Cronbach's Alpha shows numbers more than 0.60 so it can be concluded that each construct has high reliability.

Table 3. Composite Reliability

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Saturated Model</th>
<th>Estimated Model</th>
</tr>
</thead>
<tbody>
<tr>
<td>SRMR</td>
<td>0.066</td>
<td>0.066</td>
</tr>
<tr>
<td>d_ULS</td>
<td>1.298</td>
<td>1.298</td>
</tr>
<tr>
<td>d_G</td>
<td>1.364</td>
<td>1.364</td>
</tr>
<tr>
<td>Chi-Square</td>
<td>815.435</td>
<td>815.435</td>
</tr>
<tr>
<td>NFI</td>
<td>0.729</td>
<td>0.729</td>
</tr>
</tbody>
</table>

Path Analysis Results

In calculating the path analysis that there are 2 two indicators that can be seen, namely P-Values and Original Sample (OS). If the P Values < 0.05 then the relationship formed has a significant effect, whereas if the P Values > 0.05 then it can be said to be insignificant. If you want to know the direction of influence, you can look at the value of the original sample, if the original sample is positive then the direction of the influence is positive, while if the original sample is negative, the direction of the effect is negative. The results of the path analysis are presented in Table 5.
The Role of Leadership and Competence in Improving Work Motivation and Performance of Cooperative Employees

Table 5. Path Coefficient Result

| Indicator                        | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (|O/STDEV|) | P Values | Annotation                                      |
|----------------------------------|---------------------|-----------------|-----------------------------|-----------------------------|----------|------------------------------------------------|
| Leadership -> Employee Performance | 0.367               | 0.342           | 0.181                      | 2.022                      | 0.044    | Leadership Affect Employee Performance         |
| Leadership -> Work Motivation    | 0.812               | 0.813           | 0.046                      | 17.813                     | 0.000    | Leadership Affect Work Motivation              |
| Competence -> Employee Performance | 0.171               | 0.173           | 0.148                      | 1.156                      | 0.248    | Competence Has No Effect On Employee Performance |
| Competence -> Work Motivation    | 0.167               | 0.163           | 0.051                      | 3.260                      | 0.001    | Competence Affect Work Motivation              |
| Work Motivation -> Employee Performance | 0.365               | 0.371           | 0.184                      | 1.984                      | 0.048    | Work Motivation Affect Employee Performance    |

Figure 2. Model Pengujian Partial Least Square WarpPLS 3.0

R Square (R2) Analysis Results

Analysis of R square (R2) is the coefficient of determination used to see the ability of exogenous variables to explain endogenous variables. The results of the R Square analysis show that the independent variables of leadership, competence and work motivation have an effect of 0.760 or 76%. While the independent variable where the variable Employee Performance as the dependent variable and the independent variable leadership and competence give an effect of 0.912 or 91.2%. The results of the R square analysis are presented in Table 6 and Figure 2.
DISCUSSION

The Effect of Leadership on Work Motivation

Based on the results of data analysis, there are several aspects that must be interpreted to prove whether the hypothesis is accepted or rejected. The significance level is at the P-values of (0.000) or below 0.05 so that it can be proven that there is an influence of leadership variables on work motivation. Thus, leadership plays a role in increasing work motivation variables.

Data analysis and interpretation of the results of data processing showed that the leadership variable had a positive and significant effect on work motivation. This means that Ho is rejected and Ha is accepted. Therefore, it can be concluded that leadership has a positive and significant effect on work motivation. This is due to aspects related to leadership that have a positive impact on work motivation. This is also supported by the results of descriptive analysis which states that in general respondents agree or give a positive response to aspects of leadership, competence, work motivation and employee performance on the questionnaire.

Based on data analysis, it is proven that the leadership variable has an influence on work motivation, meaning that to increase work motivation, leadership needs to be improved. The nature of the influence of the leadership variable on work motivation is positive or the original sample value (0.812) it can be interpreted that the increase in leadership is in line with the increase in work motivation, which means that if the leadership is good, the work motivation will automatically be good too.

The Effect of Competence on Work Motivation

The results showed that the significance level (P-value) for the competency variable was (0.001) below 0.05. This proves that there is an influence of the competence variable on work motivation. Thus it can be concluded that the role of the competence variable to increase the work motivation variable is very important. This result is also supported by the original sample value of 0.167, which means that the increase in competence is in line with the increase in work motivation, meaning that if competence increases, work motivation will automatically increase.

Based on data analysis and interpretation of the results of data processing, it can be concluded that the competence variable has a positive and significant effect on work motivation. Thus, Ho is rejected and Ha is accepted. Therefore, it can be concluded that competence has a positive and significant effect on work motivation. This is due to aspects related to competence that have a positive impact on work motivation.

The Effect of Leadership on Employee Performance

The results showed that the significance level (P-value) for the leadership variable was (0.000) below 0.05. This proves that there is an influence of leadership variables on work motivation. Thus it can be concluded that the role of leadership variables to improve employee performance variables is very important. This result is also supported by the original sample value (0.663), which means that the increase in leadership is in line with the increase in employee performance. This means that if leadership increases, employee performance will automatically increase.

Based on data analysis and interpretation of the results of data processing, it can finally be concluded that the leadership variable has a positive and significant effect on employee performance. Thus, Ho is rejected and Ha is accepted. Therefore, it can be concluded that leadership has a positive and significant effect on employee performance. This is due to aspects related to leadership that have a positive impact on employee performance.

The Effect of Competence on Employee Performance

The results showed that the significance level (P-value) for the competency variable was (0.098) above 0.05. This proves that there is no influence of the competence variable on employee performance. Thus it can be concluded that the role of the competence variable to improve employee performance is very important. This result is also supported by the original sample value (0.663), which means that the increase in leadership is in line with the increase in employee performance. This means that if leadership increases, employee performance will automatically increase.

Based on data analysis and interpretation of the results of data processing, it can finally be concluded that the competence variable has a positive but not significant effect on employee performance. Thus, Ho is accepted and Ha is rejected. Therefore, it can be concluded that competence has no significant effect on employee performance.

Table 6. Results of R Square (R2) analysis

<table>
<thead>
<tr>
<th></th>
<th>R Square</th>
<th>R Square Adjusted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Performance</td>
<td>0.760</td>
<td>0.754</td>
</tr>
<tr>
<td>Work Motivation</td>
<td>0.912</td>
<td>0.911</td>
</tr>
</tbody>
</table>
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V. CONCLUSIONS AND SUGGESTIONS

Based on the results of the analysis and discussion that have been described in depth, the conclusions in this study are: (1) leadership has a positive and significant effect on work motivation and employee performance. The leadership at PKP-RI Jember Regency has been implemented well, therefore this good leadership must be improved continuously because it is proven to increase work motivation and employee performance. Employees who have high work motivation will finish their work on time, which means their performance will also increase; (2) the competencies possessed by employees affect work motivation. This means that the competencies possessed by PKP-RI employees in Jember Regency can increase motivation at work. Thus, it is expected that employees will continue to improve their competencies in order to increase work motivation; (3) competence has no effect on employee performance. Therefore the PKP-RI is required to continue to improve the competence of employees so that they have competencies that are in accordance with the needs of the organization; (4) work motivation has an effect on employee performance. This indicates that the work motivation of PKP-RI employees in Jember Regency is good, therefore this good thing must be maintained and if it can be improved.

Based on the results of the research and discussion, the things that need to be suggested in this research are: (1) for the Indonesian Employee Cooperative Center (PKP-RI) to continue to improve leadership and competence so that work motivation increases and can have an influence on employee performance as testing which is conducted; (2) for future researchers, it is expected to increase the number of samples and add and look for other factors that affect employee performance other than the variables of leadership, competence and work motivation; (3) the rejection of the fourth hypothesis, which is about the effect of competence on employee performance, it is necessary to further examine the causes.

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