



## The Effect of Work Performance and Employee Loyalty on Promotion at the Nuances of Independent Women's Cooperative in Semarang

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### Abstract

*Human resource management is currently the most important factor and asset of a company. This study aims to determine the Effect of Work Performance and Employee Loyalty on Promotion at the Nuansa Mandiri Women's Cooperative in Semarang. The independent variable is Job Performance ( $X_1$ ), Employee Loyalty ( $X_2$ ), and the dependent variable is Promotion ( $Y$ ).*

*The population of this study was all employees of the Nuansa Mandiri Women's Cooperative in Semarang amounting to 302 people and for the sample using the Simple random sampling technique it was known to be 75 people. Data collection techniques are quantitative methods using questionnaires. For instrument testing using Validity test, Reliability test, and classical Assumption test. For data analysis techniques using multiple linear regression analysis methods with  $t$  test, Model Feasibility test and Coefficient of Determination ( $R^2$ ).*

*The results of the study using multiple linear regression showed the regression equation as follows:  $Y = 7.040 + 0.342X_1 + 0.323X_2$ . From the  $t$  test, it is known that for the Job Performance variable ( $X_1$ ) a calculated  $t$  value of 2.833 is obtained with a significance level of 0.000, because  $t$  count 2.833 >  $t$  table 1.665; significance is less than 0.05 ( $0.006 < 0.05$ ), then the Job Performance variable has a positive and significant effect on promotion, the variable Employee Loyalty ( $X_2$ ) obtained a calculated  $t$  value of 2.979 with a significance level of 0.000, because  $t$  count 2.979 >  $t$  table 1.665; significance is less than 0.05 ( $0.004 < 0.05$ ), then the variable Employee Loyalty has a positive and significant effect on promotion.*





*The main advice for company leaders is expected to pay attention to the work performance of employees, in this case company leaders must encourage employees in carrying out work willing to do overtime hours if there is work that has not been fully completed.*

**Keywords: Work Experience, Compensation, Work Environment, Work Productivity**

## 1. INTRODUCTION

Human resource management is currently the most important factor and asset of a company. This is because human resource management is a part that is fully responsible for the management of all human resources in the company (Purwaningsih and Magdalena, 2018). Human Resources (HR) according to Hasibuan (2018) is the most expensive asset in an organization to be able to develop and achieve goals. The success of an organization will be achieved if the people who work in it are able to improve their quality and are committed to being dedicated to the company. Modernization and technological advances are growing rapidly, making employees compete with each other to improve self-actualization, by maximizing the use of abilities and self-potential. Proper corporate restructuring will create healthy inter-company competitiveness, with the hope that all goals of the organization can be achieved optimally. To get the attention of employees who work in the company, fair action is needed and equalization of the rights and duties or obligations of these employees. With the attention of employees, it will increase the loyalty of these employees so as to reduce the potential for employee turnover. In addition, it can increase the potential for these employees to survive in the company because of the sense of comfort and security provided by the company.

In facing the current of globalization, Human Resources play a very dominant role in company activities. Therefore, every company needs to think of ways that can be done to develop its Human Resources in order to encourage progress for the company. Human resource development can be done in various ways, one of which is promotion. With the promotion target, employees will feel needed, valued, cared for, and recognized for their work ability by the company so that they will produce high output. Promotion aims to regenerate human resources owned by the organization for the continuity of the organization Hasibuan (2018).

In order to support the success of the promotion program in a company, it is necessary to assess several aspects, including loyalty and work performance. These two aspects have an influence on the promotion program. If an employee's work performance





has a significant increase and has sufficient time (a certain period), as a basis for consideration, the employee deserves to be promoted to a higher work level. The success of a company or organization can be seen from the level of employee loyalty, where the level of loyalty refers to a person's commitment to the company. Employees who have a high level of loyalty mean that they have a high level of work ethic towards the company where they work (Mirayanti, 2019: 96).

High morale is necessary for every business entity and this is partly due to the provision of objective promotion. Promotions are carried out to ensure the stability of staffing realized to employees on a timely basis and honest assessment. With the promotion target, an employee will continue to develop their potential to the maximum level, the thing that needs to be developed is work performance to a higher level. Hasibuan (2018). According to Prawirosentono (2019), wrong decision making by companies in determining promotion will also result in promotion. Which means that the achievements that have been made by an employee in an organization at a certain level are assessed based on the size or size of the influence to advance the organization in a certain period of time.

The chairman of the company has promoted some of its employees over a period of time. However, the promotion carried out is not in accordance with the planned promotion target, so it will have implications for the company's planning in the future. For this reason, company leaders need to consider the objectivity of the promotion to be carried out. In this case, researchers know the problems regarding loyalty and work performance as well as promotion to positions at the Nuansa Mandiri Women's Cooperative In Semarang the problems that occur in this company are many superiors who do not understand the situational environment in work situations, namely analytical skills and the ability to be flexible in conducting assessments. Where employees are promoted to higher positions by looking only at one assessment criterion, which basically the employee does not necessarily excel at several other criteria.

Employees who have good work performance, tend to be more active in cognitive knowledge and conative actions carried out in carrying out tasks in the company. If the promotion system applied does not reflect a sense of fairness for employees, it will certainly have implications for decreasing employee job satisfaction at work which will ultimately reduce the performance of the employees themselves.

Therefore, the description of the research needs to be strengthened by further research on the perception of loyalty and work performance towards employees and whether there is a simultaneous and significant relationship between the two to promotion.





Based on the results of research conducted previously by Andhara et al. (2019), employee loyalty has a positive effect on job promotion and also according to Mirayanti (2019) that loyalty research has an effect on job promotion. However, it is different from the research conducted by Sembiring (2020) where loyalty does not affect job promotion. Meanwhile, the variable of work performance according to Purwaningsih and Magdalena (2018) research has a positive effect on job promotion and also according to Triani et al. (2019) which shows that work performance has a positive effect on job promotion. However, according to research conducted by Elfianto (2020) shows that work performance does not affect job promotion. The formulation of the problem that the author can formulate based on the background description above is: Does work performance affect job promotion at the Nuansa Mandiri Women's Cooperative in Semarang?, Does employee loyalty affect job promotion at the Nuansa Mandiri Women's Cooperative in Semarang?.

## 2. LITERATURE REVIEW

### 2.1 Promotion

According to Nitisemito (2020), promotion is the process of transferring employees or employees, from one position or place to another higher position or place and followed by higher duties, responsibilities, and authorities than the position previously occupied and in general promotion followed by an increase in income and other facilities.

Promotion is not easy to get just like that, there are terms or conditions. Each company has its own terms and conditions for someone to be promoted. The requirements for promotion in general are honesty, discipline, work performance, cooperation, skills, loyalty, leadership, communicative, and education (Hasibuan, 2018).

### 2.2 Promotion Indicators

Promotion indicators that are generally carried out by an organization or company according to Wahyudi (2019: 92):

- a. Honesty.
- b. Loyalty Level.
- c. Education Level.
- d. Work Experience.
- e. Initiative. For promotional activities on certain types of work.





## 2.2 Work Performance

Work performance is also referred to as performance or performance. In principle, there is another term that describes more "achievement", namely the word "achievement". But because the word comes from the word "to achieve" which means "to achieve", then in Indonesian it is often interpreted to mean "achievement" or "what is achieved". According to Prawirosentono (2019), performance is the result of work achieved by a person or group of people in an organization. Thus, the understanding of work performance here emphasizes more as a result or achievement achieved by someone in carrying out a job.

## 2.3 Job Performance Assessment Indicators

According to Hasibuan (2018), indications of declining employee morale include:

- a. Skills and Abilities.
- b. Discipline.
- c. Personality.
- d. Responsibility.

## 2.4 Employee Loyalty

According to Hasibuan (2018) Expressing the opinion that loyalty or work loyalty is one of the elements used in employee evaluation including loyalty to work, position, organization. This loyalty is reflected in the loyalty of employees to maintain and maintain the organization both internally and externally to avoid irresponsible people. According to Siswanto Trianasari (2018) prioritizes aspects of personal job loyalty, emphasizing the work done by employees: following all rules, responsibility to the company, willing to cooperate, sense of belonging, work loyalty, liking for work. If employees feel satisfied when meeting the needs of life where they work, they will provide loyalty at work, so they feel at home while working in a company.

Work loyalty indicators proposed by Soegandhi et al (2019), which focus on the implementation of work carried out by employees, include:

- a. Obey the rules.
- b. Responsibility to the company/organization.
- c. Willingness to cooperate.
- d. A sense of belonging.
- e. Interpersonal relationships.
- f. Fondness for work.



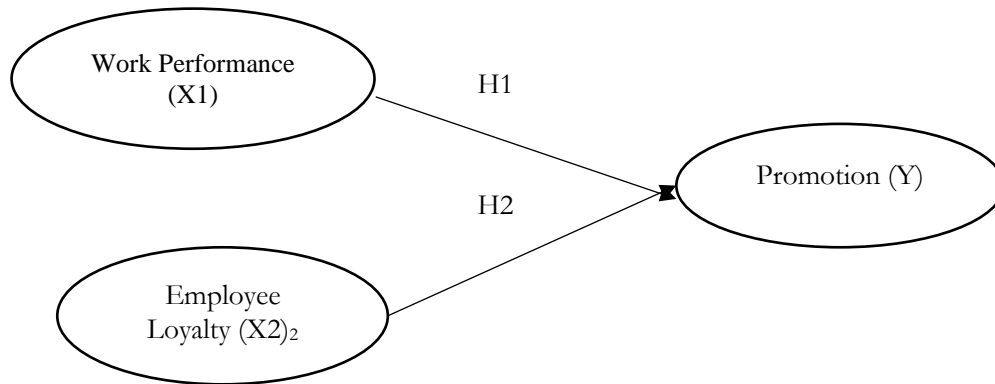


Figure 1 Frame of Mind

### 3 RESEARCH METHOD

#### 3.1 Population and Sample

Population is a generalized area consisting of objects or subjects that have certain qualities and characteristics determined by researchers to be studied and then drawn conclusions (Sugiyono 2018). The population in this study is all employees of the Nuansa Mandiri Women's Cooperative in Semarang totaling 302 people.

A sample is a part of a subject or object that represents a population. Sampling should correspond to the quality and characteristics of a population. Sampling that is not in accordance with the quality and characteristics of the population will cause a study to be biased, untrustworthy and the conclusions can be erroneous (Sugiyono 2018).

Researchers use the Slovin formula (Riduwan, 2019). The determination of the number of sampling in this study is as follows:

$$n = N (Nd^2 + 1)$$

$$n = 302 (302(0,1)^2 + 1)$$

$$n = 302 / 4.02$$

$$n = 75.124$$

The sample used was 75 people



### 3.2 Variable Operational Definition

**Table 1 Operational Research Variables**

Variable	Operational Definition	Indicators
Work Performance (X1)	a result of work achieved by a person in carrying out the tasks assigned to him based on skill, experience, and sincerity and time	<ol style="list-style-type: none"> <li>1. Skills and Abilities</li> <li>2. Discipline</li> <li>3. Personality</li> <li>4. Responsibility</li> </ol>
Employee Loyalty (X2)	Mental attitude of employees, which is shown by loyalty to the company even though the company is in good or bad condition	<ol style="list-style-type: none"> <li>1. Obey the rules</li> <li>2. Responsibility</li> <li>3. Willingness to cooperate</li> <li>4. A sense of belonging</li> <li>5. Interpersonal relationships</li> <li>6. Passion for work</li> </ol>
Promotion (Y)	The process of transferring employees or employees, from one position or place to another higher position or place	<ol style="list-style-type: none"> <li>1. Honesty</li> <li>2. Loyalty Level</li> <li>3. Education Level</li> <li>4. Work Experience</li> <li>5. Initiative</li> </ol>

### 3.3 Data Collection Methods

The method used to collect data in this study is the questionnaire method according to Sugiyono (2018) is a data collection technique carried out by giving a set of questions or written statements to respondents to answer. The questionnaire is created using open-ended questions, which consist of questions to ask the identity of the respondent, and closed questions which ask the respondent to choose one of the available answers from each question.

The test equipment used in this study is a validity and reality instrument test. The analysis methods used are: classical assumption tests include normality tests, heterokedaticity, multiple linear regression tests. Hypothesis tests include t-tests, model feasibility tests, and determination coefficients.

**4 RESULT**

Hail tests in this study are the results of validity and reality tests, reliable and valid questionnaires. Results of the analysis: The results of the classical assumption test are normal and heterokedasticity does not occur. The results on the multiple linear regression test are as follows:

**Table 2 Multiple Linear Regression Analysis Results Coefficientsa**

Type	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	7.040	3.122		2.255	.027
Work Performance	.342	.121	.299	2.833	.006
Employee Loyalty	.323	.108	.315	2.979	.004

a. Dependent Variable: Promotion

Source : Data Processing 2022.

Based on Table 4.8 of the multiple linear regression test results above, the regression equation is obtained as follows:

$$Y = 7.040 + 0.342X_1 + 0.323X_2$$

The above formula can be explained as follows:

- A constant value of 7.040 indicates that the variables of work performance and employee loyalty if the value is 0 then the promotion has a performance level of 7.040.
- The value of the BM coefficient ( $\beta_1$ ) is 0.342 with a positive value. This means that for every 1 increase in job performance, the promotion will increase by 0.342 assuming the other variables are constant.
- The value of the BM coefficient ( $\beta_2$ ) is 0.323 with a positive value. This means that for every 1 increase in employee loyalty, the promotion will increase by 0.323 assuming the other variables are constant.







In the results of the hypothesis test t test, model feasibility test, and determination coefficient all meet.

## 5 DISCUSSION

### 5.1 The Effect of Work Performance on Promotion

The statistical results of the t test for the work performance variable obtained a calculated t value of 2.833 with a significance level of 0.000, because t count  $2.833 > t$  table 1.665; significance less than 0.05 ( $0.006 < 0.05$ ). So that the results of this study found that work performance has a significant positive effect on job promotion.

The results of the literature study analysis provide evidence from the results of previous research Eliana Febisica Mandiangan and Agoes Ganesha Rahyuda (2019), Maartje Paais. (2019), Ida Ayu Nithya Medhiantari and Made Yuniari. (2019), Desnirita and Nataleon (2022) which states that work performance affects job promotion.

A person's work performance can be said to be high if a work target is completed at the right time or does not exceed the limit provided. A person's work performance can also be said to be low if it is completed beyond the specified time limit or is not completed at all. According to Mangkunegara (2018), work 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

### 5.2 The Effect of Employee Loyalty on Promotion

The statistical results of the t test for the work discipline variable obtained a calculated t value of 7.922 with a significance level of 0.000, because t count  $7.922 > t$  table 1.667; The significance is less than 0.05 ( $0.000 < 0.05$ ) and the regression coefficient has a positive value of 0.731. So the results of this study found that employee loyalty has a significant positive effect on job promotion.

The results of the literature study analysis provide evidence from the results of previous research Eliana Febisica Mandiangan and Agoes Ganesha Rahyuda (2019), Sandra Wijayanti Sungkono and IGA Manuati Dewi (2019), Desnirita and Nataleon (2022) which stated that work discipline affects job promotion.

According to Hasibuan (2018) Expressing the opinion that loyalty or work loyalty is one of the elements used in employee evaluation including loyalty to work, position, organization. This loyalty is reflected in the loyalty of employees to maintain and maintain the organization both internally and externally to avoid irresponsible people





## 6. CONCLUSION

Based on the results of data analysis that has been carried out on all data obtained, the following conclusions can be drawn:

- 1 Work Performance has a positive and significant effect on promotion at the Nuansa Mandiri Women's Cooperative in Semarang.
- 2 Employee loyalty has a positive and significant effect on promotion at the Nuansa Mandiri Women's Cooperative in Semarang.

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