

A Nexus Between Employee Engagement and Goal Orientation to Employee Competence and Performance: Evidence from Indonesia

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Received: September 15, 2022 Revised: November 26, 2022 Accepted: December 05, 2022

Abstract

This study examines the relationship between employee engagement and goal orientation toward competence. In addition, it also examines the relationship between competence and employee performance in financial institutions in Indonesia. Questionnaires were distributed to several employees who work at financial institutions in Aceh, North Sumatra, and Riau. The basis for selecting the research object was that most financial institutions have similar business products. The similarities are the marketing of home loan ownership products and multipurpose investments. The three study regions are located in western Indonesia's most central provinces and have a significant amount of trade. The sampling technique used was purposive sampling based on specific criteria for the respondents. 275 employees made up the research sample, and partial least squares data analysis methods were applied. In data analysis, initial testing was carried out on the components of the research statement items to see their validity and reliability. The results of this study indicate that employee engagement behavior can improve employee performance, which improves financial institutions' organizational performance. The study's findings offer suggestions for policies and guidelines that will encourage productive work behavior among employees and boost organizational performance. The fact that employees must think and act creatively to develop their competence and become superior employees is another distinctive feature of this research.

Keywords: Employee Involvement, Goal Orientation, Competence, Employee Performance

JEL Classification Code: L22, L25, L16

1. Introduction

The world of work today has changed both in the nature and form of the work done. These changes occur due to innovation, knowledge development, and increased competition (Brown et al., 2003; Nilsson & Ellström, 2012). Today's world of work is characterized by the emergence of complexity, uncertainty, and insecurity (Kalleberg & Vallas, 2017).

In the face of today's dynamic work environment, the organization strives for precision in human resource

management. This is because human resource management is used as a strategic tool to improve organizational performance by increasing employees' knowledge, skills, and abilities (Bates & Chen, 2004; Clardy, 2008). These three factors, when properly managed, can lead to organizational excellence (Sengupta et al., 2013).

The practice of human resource management has undergone a paradigm shift in the last decade. Human resources are currently required to support achieving organizational goals (Armstrong & Baron, 2005). Achievement of goals is done by aligning the activities and strategies of the organization (Holbeche, 2016).

A working system based on high employee performance has emerged to create alignment of human resource activities with organizational strategy (Takeuchi et al., 2009). High-performance work systems place a premium on strategic alignment with external needs to improve employee behavior, attitudes, and abilities, thereby increasing organizational excellence (Miao et al., 2014).

This article has the scope of human resource management to fill research gaps in explaining the relationship between

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behavior in improving employee performance. This study places the relationship between employee engagement, goal orientation, and competence to improve employee performance.

Based on the results of previous studies, empirically, there are still various research results explaining the impact of human resource development on performance in organizational analysis (Thang et al., 2010). The results showed that human resource management practices effectively increased employees' motivation, knowledge, attitudes, abilities, and skills in influencing work behavior (Shin et al., 2018).

However, research findings that explain the practice of human resource management in encouraging work behavior are uncommon (Liu et al., 2017). This is because some existing studies discuss aspects of personality (Jafri et al., 2016; Pan et al., 2018), work climate (Hunter et al., 2007), organizational culture (Martins & Terblanche, 2003), and leadership (Martins & Terblanche, 2003; Gu et al., 2015; Liu et al., 2012).

The organization hopes to win the competition by having superior human capital. To obtain superior human capital, various methods have been used, including employee recruitment (Delery & Roumpi, 2017; Molloy & Barney, 2015), training, and capacity development (Crook et al., 2011; Delery & Roumpi, 2017). In practice, however, work implementation yields preliminary results (Crook et al., 2011). As a result, creating human excellence that supports the organization's goals is a critical task for the organization.

This article provides a discussion on employee involvement in encouraging employee work behavior. The expected work behavior of the organization is an increase in organizational performance arising from increased employee performance. Kim et al. (2010) explained that organizational performance is influenced by employee performance at work (Esteban-Lloret et al., 2018).

Employee involvement is a motivational construct distinguished by the emergence of enthusiasm, dedication, and absorption (Schaufeli et al., 2002). Enthusiasm, which is associated with energy and mental endurance at work, is characterized by a willingness to invest time and effort in work. Employee involvement in work is explained by dedication as the emergence of inspiration, pride, and high enthusiasm. Employee concentration in carrying out work can be interpreted as absorption. Employee involvement is a management strategy that encourages employees to work together to achieve overall organizational goals (Benson et al., 2013). This participation, in turn, promotes more complex and responsible workplace behavior (Ghitulescu, 2013; Yang, 2012).

The findings of this research phenomenon agree with Crook et al. (2011) that if employees have competencies, they will have an impact on the organization. As a result, the purpose of this article is to investigate the factors that can promote employee competence at work. Employee engagement and goal orientation are identified in this study as predictors of driving employee competence on performance as a driving factor.

This study adds to the literature and improves performance in a variety of ways. First, employee diversity, such as education and gender, influences employee performance (Østergaard et al., 2011). However, this diversity may be more appropriate in the context of financial performance, where face-to-face negotiations with customers are common (Suma & Budi, 2021). Second, by examining engagement and goal orientation, this study fills a research gap in the area of human resource management practices. Third, this study views that to create organizational resilience during the current COVID-19 pandemic, an active role of employees is needed in creating business sustainability. This study examines the model based on empirical data from financial institutions in Indonesia.

Employee involvement is defined by Kahn (1990) as "employee self-utilization in carrying out work with an emphasis on physical, cognitive, and emotional aspects." Another definition states that employee involvement is related to employees expressing their attitudes toward accepting work roles (Christian et al., 2011; Harter et al., 2002; Rich et al., 2010).

Employees at work have a goal orientation to achieve to demonstrate their abilities. Schunk (2012) defines goal orientation as a type of work behavior that is based on goals and focuses on achieving work performance (Maehr & Zusho, 2009). In the meantime, Pintrich et al. (2003) define goal orientation as an integrated pattern of individual beliefs that explain why people work (Ames, 1992).

2. Literature Review and Hypotheses

This study discusses aspects of employee involvement in work implementation in the organization. Employee engagement is a new concept in organizational behavior that has piqued the interest of researchers in recent years. This appeal arises because employee involvement affects the overall performance of the company. Employee engagement is defined as a strong emotional attachment that employees have to their organization. As a result, these feelings motivate employees to put forth greater effort in their work (Fisher, 2010; Wallace et al., 2016). The grand theory of employee engagement is motivation. Motivation is defined as a process related to the formation of intensity, direction, and individual persistence in achieving goals (Pinder, 2014).

2.1. Employee Engagement and Performance

Employee engagement was introduced to employee corporate relations, which is closely related to the employee's emerging need for learning opportunities in organizations (Vigoda-Gadot et al., 2013). Employee involvement is related to the level of commitment to the organization and its values. When an employee is involved, he or she recognizes his or her role in achieving business objectives and motivates colleagues to achieve organizational success (Siswanto et al., 2021; Sungmala & Verawat, 2021).

Based on the results of previous research, there are differences of opinion in the study of the impact of employee involvement on performance. First, research shows a significant effect of employee engagement on employee performance (Anitha, 2014; Garcia et al., 2019). Second, employee involvement has no significant effect on employee performance (Qi & Wang, 2018).

2.2. Goal Orientation and Performance

Goal orientation is conceptualized as attributes and traits of employees in a relatively stable form (Colquitt & Simmering, 1998; Payne et al., 2007). Several studies show that goal orientation changes the life stage transitions of organizations and employees (de Lange et al., 2010; Duchesne et al., 2014).

The title *Goal Achievement in the Workplace: Conceptualization, Prevalence, Profile, and Outcomes* is based on previous research conducted by Van Yperen and Orehek (2013). According to the findings of his study, employees' willingness to achieve work goals fosters motivation, which influences their performance.

2.3. Employee Engagement and Competence

Research on the impact of employee involvement on the achievement of organizational success is now starting to be more widely carried out than before. This is because organizations are currently required to create an influential employee role in winning the competition and achieving goals (MacLeod & Clarke, 2009; Xanthopoulou et al., 2009). Shuck and Wollard (2010) defined employee involvement as a cognitive and emotional state that promotes the emergence of employee behavior aimed at achieving organizational goals. According to Medhurst and Albrecht (2011), engagement is positively related to organizational citizenship behavior, performance, psychological well-being, and efforts to improve abilities in their study (Alias et al., 2016; Shuck et al., 2011).

2.4. Goal Orientation and Competence

Goal orientation theory suggests that individual goal orientation regulates affective, behavioral, and cognitive motivational processes (Dweck, 2002). Individuals have a strong orientation, view competence as a malleable quality, and pursue the goal of increasing competence (Button et al., 1996; Dweck & Leggett, 1988). They attribute setbacks to inadequate efforts or ineffective strategies. This is because they attribute failure or setbacks to a lack of their abilities; they tend to choose more manageable tasks or exert less effort (Chen et al., 2000; Dweck, 1986; Dweck & Leggett, 1988).

A meta-analysis conducted by Radosevich et al. (2004) revealed that inadequacy of ability is not always dysfunctional (Wang & Takeuchi, 2007). Previous research showed different results. First, the results indicate that goal orientation significantly affects competence (Chughtai & Buckley, 2011; Gong et al., 2017; Latham et al., 2016). Second, the results indicate that goal orientation does not affect employee competence (Fang et al., 2019).

2.5. Competence and Performance

According to Bell (2007), competence, as a type of ability, is required to complete work effectively. Employees' competence is a type of capacity that serves as human capital in achieving goals. According to Hameed and Waheed (2011), competence refers to aspects of knowledge, skills, and character that employees possess when performing work.

Becker and Huselid (2010) said that human capital is a set of knowledge and productive abilities possessed by employees. Previous research shows that employee competence has a significant effect on improving performance (Kim & Kim, 2013; Rahimić et al., 2012; Wang & Haggerty, 2011).

2.6. Employee Engagement, Competence, and Performance

The concept of employee involvement is applied to employees to focus on participating in organizational activities. Employee involvement, according to Hackman (1980), is closely related to job design, which gives employees a lot of autonomy and decision-making authority. This activity aims to increase employees' meaning and responsibility for their jobs. Employee engagement can be effective if employees share a common understanding of decisions, act on them, and have access to the various information sources required to take practical actions. There

are opportunities to increase knowledge that aims to develop effectiveness in work, and there is an appreciation for its improvement (Wallace et al., 2016).

Previous research indicates that employee engagement has a significant influence on performance through competence (Wallace et al., 2016; Zatzick & Iverson, 2011). The following hypotheses are proposed in this study based on the above description:

2.7. Goal Orientation, Competence, and Performance

According to the concept of achieving goals, employees who have goals at work have a strong focus on developing competence and work results (Fang et al., 2019). This is consistent with Dweck's (1986) belief that performance-oriented employees are more concerned with proving themselves and avoiding failure. In other words, performance-driven employees will strive for the best evaluation results from their work.

Goal orientation is an approach to the ability of employees to define, approach, experience, and respond to the conditions to be achieved in the workplace (Van Yperen & Orehek, 2013). According to Ames (1992), goal orientation is a fundamental goal in goal behavior for achievement. Employees have a significant goal to achieve in their careers. Employees' career success is a shared responsibility with the organization. This is because the success of employees ultimately contributes to the success of the organization. This is because employees' success ultimately contributes to organizational success (Ng & Earl, 2008).

There are differences in the results of previous studies in explaining the effect of orientation on performance through competence. First, research findings indicate that goal orientation influences performance through competence (Osagie et al., 2018; Van Dierendonck & Van der Gaast, 2013). Second, research indicates that there is no significant effect (Fang et al., 2019). The following are the research hypotheses based on this description:

2.8. Hypotheses

H1: *Employee involvement has a positive and significant effect on performance.*

H2: *Goal orientation has a positive and significant effect on performance.*

H3: *Engagement has a positive and significant impact on competence.*

H4: *Goal orientation has a positive and significant impact on competence.*

H5: *Competence has a positive and significant effect on performance.*

H6: *Employee involvement affects performance through competence.*

H7: *Goal orientation has an impact and is significant on performance through competence.*

3. Research Methods

To address the issues raised above, survey activities were carried out in this study. Questionnaires were distributed to all employees of four financial institutions in three regions of the Indonesian province, namely Aceh, North Sumatra, and Riau, as part of the survey. The four financial institutions chosen as the subject of the study were chosen because their business activities were similar. The marketing of homeownership loans, multipurpose loans, and business loans are all similar.

The total population of employees from the four financial institutions is 275, with departments such as marketing, finance, general affairs, and credit collection. In this study, the sample was determined using a purposive sampling method with criteria including marketing department employees and permanent employees. The researcher finally distributed the questionnaires by visiting directly according to the agreed-upon schedule, based on the predetermined criteria.

Finally, the researcher distributed 175 questionnaires to employees based on the number of employees in each financial institution's suitability. A total of 175 questionnaires were distributed, with 165 completed and ready to be processed and analyzed. This study uses four variables, namely employee involvement, goal orientation, competence, and performance. The following indicators/questionnaire items are used:

1. Employee engagement (EE) measured at the individual level consists of 6 items adopted from Mackay et al. (2017) (e.g., actively participates in meetings discussing work improvement; employee activity assessment is always carried out; involved in providing suggestions for improving work in workgroups; management actively holding meetings to discuss organizational development; bonuses are given based on work performance; employees have responsibility for the work given).
2. Goal orientation (GO) consists of 6 items, adopted from Elliot and McGregor (2001) (e.g., hope to gain broader knowledge; understanding in the field of work; belief in gaining knowledge from work done; necessity to be able to fully understand the work; ability to show a professional attitude; belief in having more performance than coworkers).
3. Competence (Com) consists of 5 items, which were adopted from Spencer et al. (2008) (e.g., job

responsibilities in accordance with the competencies possessed; employees are required to show the best value of work competence; work roles are in accordance with the competencies they have owned; integrity assessment of the implementation of the work as a reference; the existence of training provided to improve competence).

4. Employee performance (EP) consists of 5 items, which were adopted from Williams and Anderson (1991) (e.g., involvement in the implementation of work; level of job completion; level of fulfillment of job responsibilities; ability to meet formal requirements in doing work; level of concentration in completing the work).

The instrument for measuring respondents' answers uses a 5-point Likert scale (scale 1 = strongly disagree, up to a scale of 5 = strongly agree). To consider the causal relationship in the model developed above, data analysis was carried out using the component-based structural equation modeling technique, the partial least squares method (PLS). The results of the validity and reliability test concluded that all items and variables were valid and reliable. The results of the Goodness of Fit (GoF) model in this study have also met the requirements.

4. Results and Discussion

4.1. Characteristics of Respondents

According to the data processing results in Table 1, the total number of male employees was 99 (60%), and the total number of Woman employees was 66 (40%). Employee education levels were as follows: 28 with Diplomas (17.0%), 113 with Bachelor's degrees (68.5%), and 24 with Master's degrees (14.5%). Meanwhile, in the credit business activities of financial institutions, the results showed that 59 businesses were oriented to small and medium business loans (35.8%), while 106 businesses (64.2%) were oriented to large company loans. Meanwhile, based on assets owned by financial institutions, it shows that financial institutions with assets of 3 Billion are 46 institutions (27.9%), assets of 5 billion are 90 institutions (54.5%), and those with assets of > 5 billion are 29 institutions (17.6 %). The following table 1 below will be explained in detail.

In the next stage, the researcher conducted a cross-analysis based on the characteristics of the respondents. The results of data processing show that there were 16 male employees with Diploma education (9.70%), having Bachelor's degrees as many as 67 employees (40.61%), and 16 employees holding Master's degrees (9.70%).

Meanwhile, there are as many as 12 female employees with a Diploma degree (7.27%), 46 female employees with a Bachelor's degree (27.87%), and eight female employees with a Master's degree (4.85%).

The results of data processing by linking gender to business characteristics show that the number of male employees who market credit to small and medium enterprises is 26 employees (15.75%), and market credit to large companies is 73 employees (44.25%). Meanwhile, the number of female employees who market credit to small and medium enterprises is 33 employees (20%), and 33 employees in large companies (20%).

Based on the number of assets owned by financial institutions, it shows that the number of male employees who work for financial institutions with 3 Billion assets is 36 employees (21.82%), who work for financial institutions with 5 Billion assets is 44 employees (26.70%) and who work for financial institutions with > 5 Billion assets is 19 employees (11.58%). Meanwhile, the number of female employees who work for financial institutions with 3 billion assets is 10 employees (6%), those who work for financial institutions with 5 billion asset is 46 employees (27.90%), and those who work for financial institutions with >5 billion assets are 10 employees (6%). Data processing by comparing education to business characteristics shows that employees with Diplomas marketing SME business loans are five employees (3%) while marketing loans to large companies are 23 employees (13.94%). Employees with a Bachelor's degree marketing credit to SME are 47 employees (28.50%), and too large companies are 66 employees (40%). Meanwhile, employees with a Master's degree marketing credit to SMEs are seven employees (4.26%), and to large companies are 17 employees (10.30%).

Using data processing, financial institutions' assets and educational accomplishments are compared. According to the analysis's findings, there are 16 people with diplomas who work for financial institutions with assets between \$3 billion and \$5 billion (9.45%), 17 employees with diplomas who work for financial institutions with assets under \$3 billion (10.30%), 74 employees with diplomas who work for financial institutions with assets over \$5 billion (44.85%), and 22 employees with diplomas (13.33%) who work for financial institutions with assets above \$5 billion. Last but not least, there are seven employees with diplomas (4.24%) who work for financial institutions with assets of \$5 billion, and 13 people (7.88%) with master's degrees working for financial institutions with assets worth 3 Billion (7.88%), 7 employees with a masters degree who work for financial institutions with assets worth 5 Billion (4.24%), and 4 employees with a masters degree who work for financial institutions with assets > 5 Billion (2.43%).

Table 1: Respondents Characteristics

Respondent Profile	Frequency	Percent (%)
Gender		
Man	99	60%
Woman	66	40%
Education		
Diploma	28	17.0%
Bachelor	113	68.5%
Master	24	14.5%
Business Characteristics		
Business Credit		
SMEs	59	35.8%
Large companies	106	64.2%
Business Assets		
3 Billion	46	27.9%
5 Billion	90	54.5%
5 Billion	29	17.6%
Gender* Business Credit		
Man		
SMEs	26	15.75%
Large companies	73	44.25%
Woman		
SMEs	33	20%
Large companies	33	20%
Gender* Business Assets		
Man		
3 Billion	36	21.82%
5 Billion	44	26.70%
5 Billion	19	11.58%
Woman		
3 Billion	10	6%
3 Billion	46	27.90%
5 Billion	10	6%
Education* Business Credit		
Diploma		
SMEs	5	3%
Large companies	23	13.94%
Bachelor		
SMEs	47	28.50%
Large companies	66	40%

Master		
SMEs	7	4.26%
Large companies	17	10.30%
Education * Business Assets		
Diploma		
3 Billion	16	9.70%
5 Billion	9	5.45%
5 Billion	3	1.82%
Bachelor		
3 Billion	17	10.30%
5 Billion	74	44.85%
5 Billion	22	13.33%
Master		
3 Billion	13	7.88%
5 Billion	7	4.24%
5 Billion	4	2.43%
Amount	165	100

4.2. Validity and Reliability Test

Hair et al. (2006) mentioned that all constructs have size errors, even including variable indicators. Therefore, it is necessary to test the theoretical construction of each variable empirically. The variable indicator is said to be valid if it has an outer loading value > 0.5 . Meanwhile, the indicator is said to be reliable if it has a composite reliability value > 0.7 .

Based on the validity test results, it can be concluded that all of the indicators for employee engagement (EE) are reliable. Four (four) were removed from the goal orientation variable because they were invalid. One (1) indicator for the competency variable is invalid. Three (three) of the indicators are invalid for the job performance variable. Table 2 explains the validity and reliability test results.

After testing the validity of the indicators, the next step is to perform a composite reliability test. The latent variable's composite value must be greater than 0.7 to pass the composite reliability test. Based on the test findings, it was discovered that the variable reliability composite value was greater than 0.7. Therefore, it can be said that the study's questionnaire was reliable and consistent. Table 3 will be followed by an explanation of the composite reliability test results.

4.3. Inner Model Tests and Hypotheses

The internal model or structural model used in this study is then evaluated based on the parameter value of the path

Table 2: Convergent Validity Test Results

Variable	Outer Loading	Remarks
Employee Engagement (EE)		
Actively participates in meetings discussing work improvement	0.917	Valid
Employee activity assessment is always carried out	0.903	Valid
Involved in providing suggestions for improving work in workgroups	0.898	Valid
Management actively holds meetings to discuss organizational development	0.917	Valid
Bonuses are given based on work performance	0.904	Valid
Employees have responsibility for the work given	0.887	Valid
Goal Orientation (GO)		
The necessity to be able to fully understand the work	0.863	Valid
Belief in having more performance than coworkers	0.933	Valid
Competence (COM)		
Employees are required to show the best value of work competence	0.910	Valid
Work roles are in accordance with the competencies they have owned	0.904	Valid
Integrity assessment of the implementation of the work as a reference	0.924	Valid
The existence of training provided to improve competence	0.921	Valid
Employee Performance (EP)		
Involvement in the implementation of work	0.929	Valid
Level of job completion	0.914	Valid

Table 3: Composite Reliability Test Results

Variable	Composite Reliability	AVE
Employee Engagement (EE)	0.953	0.837
Goal Orientation (GO)	0.964	0.818
Competence (COM)	0.918	0.849
Employee Performance (EP)	0.893	0.808

coefficient of the relationship between latent variables (see Figure 1).

After testing the suitability of the model, it is possible to test the hypothesis. The basic hypothesis is made by comparing the magnitude of the *t*-table with the *t*-count at alpha 0.05 (5%) = 1.96. If the *t*-table is smaller than alpha 1.96 then the hypothesis is not accepted or rejected, and conversely, if the *t*-table is > 1.96 then the hypothesis is accepted or there is a significant effect between the two variables. The test results of the inner model in Table 4 show that all the relationships between the inner variables are significant at 0.05. This means that all hypotheses are accepted.

Employee Involvement (EE) has a significant effect on Employee Performance (EP) with a path coefficient of 0.396 and a value of $t = 3.765$ (significance 0.000 less than 0.05). Employee Engagement (EE) will encourage an increase in Employee Performance (EP) The first hypothesis is accepted. Goal Orientation (GO) has no significant effect on Employee Performance (EP) with a path coefficient of -0.022 and t value = 0.460 (significance 0.645 greater than 0.05). Goal Orientation (GO) does not encourage an increase in Employee Performance (EP) The second hypothesis is rejected. Employee Involvement (EE) has a significant effect on Competence (COM) with a path coefficient of 0.920 and a value of $t = 52.790$ (significance 0.000 less than 0.05). Employee Involvement (EE) encourages an increase in Competence (COM) The third hypothesis is accepted. Goal Orientation (GO) has no significant effect on Competence (COM) with a path coefficient of -0.045 and t value = 1.316 (significance 0.189 is greater than 0.05). Goal Orientation (GO) does not encourage an increase in Competence (COM) The fourth hypothesis is rejected.

Competence (COM) has a significant effect on Employee Performance (EP) with a path coefficient of 0.485 and a value of $t = 4.646$ (significance 0.000 less than 0.05). Competence (COM) will encourage Employee Performance (EP) The

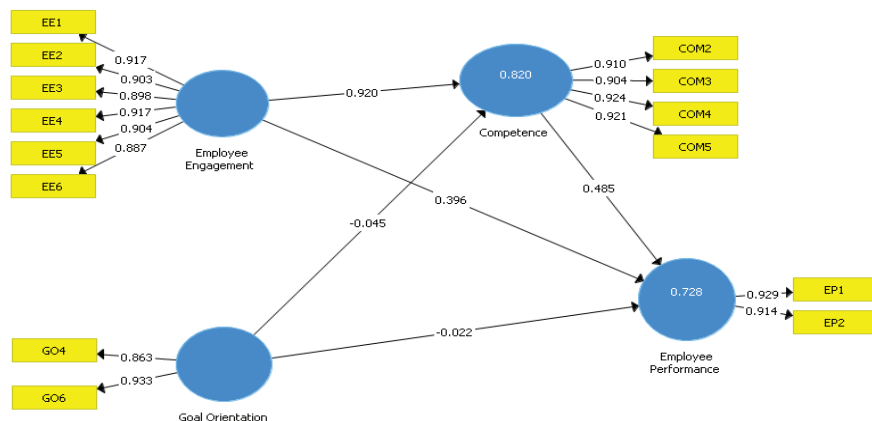


Figure 1: Path Coefficient and Hypothesis Testing

Table 4: Inner Model Test Result

Hypothesis	Path	Original Sample (O)	Sample Mean (M)	Standard Error (STERR)	T Statistics (O/STDEV)	Sig.
1	EE → EP	0.396	0.398	0.105	3.765	0.000
2	GO → EP	-0.022	-0.020	0.048	0.460	0.645
3	EE → COM	0.920	0.920	0.017	52.790	0.000
4	GO → GOM	-0.045	-0.046	0.034	1.316	0.189
5	COM → EP	0.485	0.482	0.104	4.646	0.000
6	EE → COM → EP	0.446	0.444	0.097	4.607	0.000
7	GO → COM → EP	-0.022	-0.022	0.018	1.252	0.211

fifth hypothesis is accepted. The next step is to test the hypothesis of the indirect impact of the mediating variable Competence (COM). First, the predictor variable Employee Engagement (EE) has a significant effect on Employee Performance (EP) through Competence (COM) with a path coefficient of 0.446 and a value of $t = 4,607$ (significance 0.000 less than 0.05). Employee Engagement (EE) drives Employee Performance (EP) through Competence (COM) Hypothesis six is accepted. Second, the predictor variable Goal Orientation (GO) has no significant effect on Employee Performance (EP) through Competence (COM) with path coefficient -0.022 and t value = 1.252 (significance 0.211 greater than 0.05). Goal Orientation (GO) encourages Employee Performance (EP) through Competence (COM) Hypothesis seven is rejected.

5. Conclusion

The results of this study prove that employee engagement behavior can improve employee performance

which in turn improves the organizational performance of financial institutions. Financial institutions are fully aware that they must foster employee effectiveness and efficiency at the moment. This is a result of how the COVID-19 pandemic has impacted revenue. Choosing the best employees to work for the company is therefore vital to be able to pay expenses.

According to the description provided above, the company is quite selective when choosing its best employees. The level of impact that employees' performance has on the organization's evaluation is its foundation. As a result, the organization needs the role that workers play in work engagement. The outcomes of this study support earlier research showing that employee involvement can enhance employee performance (Anitha, 2014; Yang, 2012).

However, different results were obtained that goal orientation does not affect employee performance (Lim & Shin, 2020), and employee competence (Fang et al., 2019). These results indicate that when changes in responsibilities and work environment affect the goals to be achieved.

Financial institutions have changed their focus away from selling credit and toward collecting installment payments from customers during the present uncertain COVID-19 pandemic. As a result of this transformation, employees eventually grow perplexed and pessimistic about achieving their personal ambitions. Customers typically earn sales incentive money when marketing personnel process credit satisfactorily.

However, the current difficult situation has resulted in financing institutions making efficient spending of incentives. As a final impact, it causes a decrease in employee goal orientation in doing work. There is no impact of goal orientation on performance and competence because employees experience a high level of stress from the given workload (Fang et al., 2019). So that finally raises the behavior of employees who are not motivated in doing work.

Employees must be able to increase their skills as a result of changes in business strategies implemented by financial institutions. This study demonstrates how employee competence affects the output of employees. In other words, the findings support previous studies by Kim and Kim (2013), Rahimić et al. (2012), and Wang and Haggerty (2011). This demonstrates that financial firms' outstanding human capital is created with competence (Becker & Huselid, 2010).

The advantage of human capital owned by financial institutions is the ability of employees to carry out new roles and responsibilities in the work they do. As explained above, the current business strategy carried out by financial institutions is trying to obtain customer installment payments. Therefore, employees are expected to have the ability to negotiate, seduce and control customers to be able to make loan installment payments on time.

Employee engagement is essential for developing the skills of workers who are ready to change jobs. In this study, where employees of the marketing department are expected to be able to collect consumer credit, it is hoped that employee involvement in work will give employees a greater understanding of other elements of work. Collecting customer credit is not the responsibility of the initial marketing department. However, due to the COVID-19 pandemic, where marketing is low, and customer credit arrears are high, employees are directed to the billing sector. On the other hand, these activities will have an impact on the emergence of competence from within employees through additional knowledge (Wallace et al., 2016).

This research contributes to strengthening theory and science about the need to bring up targeted employee work engagement behaviors, strengthening competencies, and creating an increase in employee performance behavior in the face of the COVID-19 pandemic so that ultimately it can improve the business performance of financial institutions. Effectiveness in the management of human resources must be directed at achieving organizational goals.

This research also provides practical implications for the assumption that creative and innovative employees are essential and needed by organizations to succeed in the marketplace. This is because employees who can effectively optimize their competencies will be unique, rare, and valuable to the organization. Employees carry out this effort to survive and surpass other employees in value. The requirement that financial organizations have outstanding and skilled workers makes it difficult for employees to demonstrate the quality of their behavior while performing their duties. This goes hand-in-hand with evaluating employees' work based on their ability to deliver the desired results. In the end, the work of these employees will impact the viability of the financing institution in the future.

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