Analysis of Competence, Transformational Leadership, and Employee Engagement in Employee Performance

Wang Jungang¹
¹Shanxi University of Finance and Economics. Shanxi Province, China, email: joewangjg@126.com

Abstract: The Influence of Competence, Transformational Leadership and Employee Engagement on Employee Performance is a scientific literature study article within the scope of the field of science. This article aims to build a hypothesis of influence between variables that will be used in further research. Research objects in online libraries, Google Scholar, Mendeley and other academic online media. The research method using the research library comes from e-books and open-access e-journals. Qualitative descriptive analysis. The results of this article: 1) Competence influences Employee Performance; 2) Transformational Leadership influences Employee Performance; and 3) Employee Engagement influences Employee Performance.

Keywords: Employee Performance, Competence, Transformational Leadership, Employee Engagement

INTRODUCTION

Employee performance is a measure of the extent to which an employee has succeeded in achieving the goals and standards set by the company or organization where they work. Employee performance can also be interpreted as the results achieved by an employee in carrying out his duties and responsibilities in the organization. High employee performance can increase productivity and work efficiency. Employees who work well and effectively can get more work done in less time, thereby increasing the organization's output and profitability. Improving employee performance is the key to achieving success and competitive advantage for a company.

Employee performance is a description of the abilities, skills and work results demonstrated by an employee in carrying out his duties and responsibilities at work. This performance can be measured based on the achievement of predetermined targets, level of productivity, quality of work results, and ability to collaborate within a team. As a benchmark, employee performance is a reflection of their dedication and contribution to achieving company goals. It is important for management to understand and appreciate
employee performance in order to provide appropriate rewards and further development for mutual success.

Based on empirical experience, many students and authors have difficulty finding supporting articles for their scientific work as previous research or as relevant research. Relevant articles are needed to strengthen the theory being researched, to see the relationship or influence between variables and build hypotheses. This article discusses the influence of Competence, Transformational Leadership, and Employee Engagement on Employee Performance, a literature review study in the field of science.

Based on the background, the aim of writing this article is to build a hypothesis for further research, namely to formulate: 1) The Influence of Competence on Employee Performance; 2) The Influence of Transformational Leadership on Employee Performance; and 3) The influence of Employee Engagement on Employee Performance.

METHODS

The method for writing Literature Review articles is the Library Research and Systematic Literature Review (SLR) methods, analyzed qualitatively, sourced from the online application Google Scholar, Mendeley and other online academic applications (Mahanum, 2021).

Systematic Literature Review (SLR) is defined as the process of identifying, appraising and interpreting all available research evidence with the aim of providing answers to specific research questions (Cruz-Benito, 2016).

In qualitative analysis, literature reviews must be used consistently with methodological assumptions. One of the reasons for conducting qualitative analysis is that the research is exploratory in nature (Ali & Limakrisna, 2013)

RESULTS AND DISCUSSION

Based on the background, objectives and methods, the results of this article are as follows:

Employee Performance

Employee Performance is the work results achieved by a person in carrying out the tasks assigned to him in accordance with predetermined standards (Z. Z. Noor et al., 2016)

Employee Performance Employee performance is the level of success of a person in carrying out their duties in accordance with predetermined standards (Ali et al., 2017)

The dimensions, indicators, synthesis or factors that influence Employee Performance are ten dimensions of performance, namely: Quality of work, Employee honesty, Initiative, Presence, Attitude, Cooperation, Justice, Knowledge about work, Responsibility, and Utilization of work time (Widayati et al., 2017)

Employee Performance has been studied by many previous researchers, including: (Mishra, 2017), (Putri Primawanti & Ali, 2022), (Septiana & Widjaja, 2020), (Poernamasari et al., 2023), (Riwukore et al., 2022), (Suharyat et al., 2022), (Suharyat et al., 2022), and (Supardi et al., 2023).

Competence

Competence is a basic individual characteristic that is related to superior or effective performance in a job. These characteristics can take the form of knowledge, skills, attitudes and behavior (Muhajirin et al., 2024)

Competence Competency is a demonstrated ability to achieve certain goals or standards. These abilities can take the form of knowledge, skills, and behaviors that are consistent with effective performance (Ali et al., 2024)

Dimensions, indicators, synthesis or factors that influence Competence are the ability to be flexible or adaptive, a high level of self-awareness, the ability to face and overcome
suffering, the ability to face and overcome pain, the quality of life inspired by vision and values, Reluctance to create unnecessary losses, Tendency to see things holistically, Tendency to always ask why, and Has the ease to go against convention (Winanti, 2021).

This competency has been studied by many previous researchers, including: (Muhajirin et al., 2024), (Sedarmayanti, 2017), (Susanto, Setiawan, et al., 2024), and (Wasiman, 2022).

### Transformational Leadership

Transformational Leadership isSeeing transformational leadership as an adaptive process in which leaders and followers face challenges and adapt to new realities. He emphasizes the importance of authoritative leadership that helps people become comfortable with discomfort when pursuing change (Den Hartog et al., 1997).

Transformational Leadership Emphasizes the role of leaders in releasing the potential of their followers and creating an environment of learning and innovation. He argued that transformational leadership involves a continuous process of identifying and developing individuals, and encouraging them to transcend their own limitations (Nungky Viana et al., 2020).

Dimensions, indicators, synthesis or factors that influence Transformational Leadership are Ideal Influence, Inspirational Motivation, Intellectual Stimulation, and Individual Consideration (Supardi & Aulia Anshari, 2022).

Transformational Leadership has been studied by many previous researchers, including: (Rahmah, 2013), (Nur et al., 2021), (Nur Kholifah & Aidil Fadli, 2022), and (Zulasman & Zahara, 2023).

### Employee Engagement

Employee Engagement is employee engagement, namely the level of employee commitment and enthusiasm for their work and company. Employees who are attached to their company will be more motivated to work hard, achieve targets, and contribute to the company's success (Trost, 2014).

Employee Engagement Employee engagement is an important factor in determining a company's success. By implementing the right strategy, companies can increase employee engagement and gain benefits for the company (Chandani et al., 2016).

The dimensions, indicators, synthesis or factors that influence Employee Engagement are vigor, dedication, recognition, clarity, and absorption (D'Souza et al., 2015).

Employee Engagement has been studied by many previous researchers, including: (Lo & Becker, 2008), (Stirpe et al., 2022), (Wang et al., 2023), (Albrecht et al., 2021), and (Bao et al., 2018).

### Review Relevant Articles

Reviewing relevant articles as a basis for establishing research hypotheses by explaining the results of previous research, explaining similarities and differences with the research plan, from relevant previous research as in table 1 below.

#### Table 1: Relevant Research Results

<table>
<thead>
<tr>
<th>No</th>
<th>Author (Years)</th>
<th>Previous Research Results</th>
<th>Similarities With This Article</th>
<th>Differences With This Article</th>
<th>H</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>(Srimulyani et al., 2023)</td>
<td>Competence and Leadership have a positive and significant influence on Employee Performance</td>
<td>Competence influences Employee Performance</td>
<td>Leadership influences Employee Performance</td>
<td>H1</td>
</tr>
<tr>
<td>2</td>
<td>(Elbaz et al., 2018)</td>
<td>Competence and Communication have a</td>
<td>Competence influences</td>
<td>Communication influences</td>
<td>H1</td>
</tr>
<tr>
<td>#</td>
<td>Authors</td>
<td>Variables</td>
<td>Variables</td>
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<tr>
<td>3</td>
<td>(Shah, 2019)</td>
<td>Transformational Leadership and organizational citizenship behavior have a positive and significant influence on Employee Performance</td>
<td>Transformational Leadership influences Employee Performance</td>
<td>H2</td>
<td></td>
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<tr>
<td>4</td>
<td>(Buil, I., Martínez, E., &amp; Matute, 2019)</td>
<td>Transformational Leadership and engagement have a positive and significant effect on Employee Performance</td>
<td>Transformational Leadership influences Employee Performance</td>
<td>H2</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>(Stirpe et al., 2022)</td>
<td>Employee Engagement and Satisfaction with HR have a positive and significant influence on Employee Performance</td>
<td>Employee Engagement influences Employee Performance</td>
<td>H3</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>(Quansah et al., 2002)</td>
<td>Employee Engagement and psychological safety have a positive and significant influence on Employee Performance</td>
<td>Employee Engagement influences Employee Performance</td>
<td>H3</td>
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</tr>
</tbody>
</table>

**Discussion**

Based on theoretical studies, the discussion of this literature review article is to review relevant articles, analyze the influence between variables and create a conceptual thinking research plan:

Based on the research results, the discussion of this article is to review relevant articles, analyze the influence between variables and create a conceptual research plan:

**The Influence of Competence on Employee Performance.**

Competence is a work ability that includes aspects of knowledge, skills and work attitudes that are in accordance with the standards set by the company. Every company certainly wants its employees to be competent (Susanto, Sawitri, Ali, et al., 2023)

The principle or concept of Competence is that this competency is a combination of knowledge, skills and personality attributes of a person so that they are able to improve their performance and contribute to the success of the organization (Gultom et al., 2022)

Competence influences Employee Performance, if Competence is perceived well then Employee Performance will be perceived well too. That to improve Employee Performance there are several Employee Performance indicators that support research.

Factors that influence Competence are regular training, effective learning, motivation to learn and the desire to succeed (Sedarmayanti, 2017)

To improve Employee Performance by paying attention to competence, what management must do is provide training to all employees to improve performance. Where employee performance increases, the Company's productivity will automatically also increase.

Competence influences Employee Performance, this is in line with research conducted by: (Susanto, Hidayat, Widyaastuti, et al., 2023), (Susanto, Soehaditama, & Benned, 2023), (Thamrin AR et al., 2022), (Nuraeni et al., 2022), (Susanto, Sawitri, et al., 2024), (Setyawati et al., 2022).
The Influence of Transformational Leadership on Employee Performance.

Transformational Leadership is a form of leadership that is very effective in bringing a company forward with a clear vision. Transformational leaders will try to stimulate creativity and guide everyone in exploring new ideas (Susanto & Sawitri, 2022).

The principles or concept of Transformational Leadership are that Transformational leadership reflects the attitude of participative leadership which is not only able to motivate and move the organization vertically and horizontally, but also creates an organizational capacity that is always agile in every situation. Through this book, we try to explore the discussion related to the concept of transformational leadership in more depth, looking at it from a conceptual perspective and current developing issues (Dewi Wijayanti & Supartha, 2019).

Transformational Leadership influences Employee Performance, if Transformational Leadership is perceived well then Employee Performance will be perceived well too. This can be explained that work quality, work quantity, work results and work processes are indicators of Employee Performance.

The factors that influence Transformational Leadership are Leader characteristics: Clear and inspiring vision. A transformational leader has a clear vision of the future and is able to inspire his followers to achieve it. Charisma and credibility A transformational leader has high charisma and credibility, so that his followers trust and respect him. Effective communication skills: A transformational leader is able to communicate his vision clearly and effectively to his followers. The ability to motivate and inspire a transformational leader is able to motivate and inspire his followers to work hard and achieve targets (Hasibuan & Bahri, 2018).

Transformational Leadership plays a role in Employee Performance, this is in line with research conducted by: (Susanto, Widyastuti, Karsono, et al., 2023), (Susanto, Ni Nyoman, Hapzi, et al., 2023), (Susanto, Agusinta, & Setyawati, 2023), and (Susanto, Widyastuti, Karsono, et al., 2023).

The Influence of Employee Engagement on Employee Performance.

Employee Engagement is employee engagement which can be defined as the level of commitment and attachment that employees have towards the organization and the values implemented in the organization. Employees who feel engaged are those who feel truly involved and enthusiastic about their work and organization (Susanto, Sawitri, & Suroso, 2023).

The principles or concept of Employee Engagement is a concept that refers to the level of commitment, enthusiasm and involvement of employees in their work and company. (Susanto & Rony, 2023)

Employee Engagement influences Employee Performance, if Employee Engagement is perceived well then Employee Performance will be perceived well too. This can be explained that Work Quality, Quantity, Timeliness, Effectiveness, Independence. as an indicator of Employee Performance (Winanti, 2021).

Factors that influence Employee Engagement are that an employee's work motivation will create employee engagement in him to dedicate all his abilities to the progress of the Company (Mariska, 2018).

Employee Engagement plays a role in Employee Performance, this is in line with research conducted by: (Susanto, Ali, Sawitri, et al., 2023), (J. Noor et al., 2023), (Alanazi et al., 2023), and (Arif et al., 2023).

Conceptual Framework

Based on the problem formulation, relevant research and discussion, a conceptual framework for this article has been developed as shown in Figure 1.
Based on the conceptual framework above, Competence, Transformational Leadership, and Employee Engagement influence Employee Performance. Apart from the three exogenous variables that influence Employee Performance, there are many other variables, including:
x4: Communication
x5: Employee Engagement
x6: Organizational Citizenship Behavior
x7: Satisfaction with HR
x8: Psychological Safety

CONCLUSION
Based on the objectives, results and discussion, the conclusion of this article is to formulate a hypothesis for further research, namely:
1) Competence influences Employee Performance.
2) Transformational Leadership influences Employee Performance. And
3) Employee Engagement influences Employee Performance.

REFERENCES
Arif, S., Johnston, K. A., Lane, A., & Beatson, A. (2023). A strategic employee attribute scale: Mediating role of internal communication and employee engagement. Public Relations...


