

Factors Affecting Employee Performance During the Covid Pandemic 19

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ABSTRACT

This study aims to determine factors affecting employee performance of private companies in Medan City during the COVID-19 pandemic. The population in this study were all private employees in Medan City. The samples were selected accidental sampling technique. The research method used was descriptive quantitative with factor analysis techniques. The results of the study highlighted that there are two dominant factors which influence employee performance decisions during the Covid 19 pandemic, namely .

Keywords: Ability, Family Demands, Incentives, Living Cost, Motivation, Rewards, Security, Work Environment

INTRODUCTION

Covid-19 have attacked all parts of the world including Indonesia. Covid-19 forced every industry and everyone to plunge into this technologized world. Especially employees, they must be able to utilized technology as government policies enforcing social distancing, and work from home, making people do any activities, including work, from home.

Indonesia Ministry of Manpower, as of April 7, 2020, recorded 39,977 companies of formal sectors opted to lay off their workers, as a result of the Covid-19 pandemic. In total there were 1,010,579 workers affected by this. In detail, 873,090 workers from 17,224 companies were laid off, while 137,489 workers were laid off from 22,753 companies. Meanwhile, the number of companies and workers affected in the informal sectors were 34,453 companies and 189,452 workers (Rizal, 2020). Performance generally refers to a record of job function results or all work activities within a certain period of time. In brief, performance is mentioned as a success in carrying out jobs (As'ad, 2017).

Employee performance is the main determining factor for companies in achieving its goals. Performance is a work result which can be achieved by a person or group of people in an organization, in accordance with their respective authorities and responsibilities to achieve the goals of the organization legally concerned, not violating the law corresponding to morals or ethics (Sedarmayanti, 2011).

There are several factors influencing employee performance, both internally and externally. According to Mangkunegara (2013) performance factors consist internal factors, those originating from within an individual, and external factors, those associated

with the environment such as co-workers, leaders, subordinates, and organizational climates.

Daulay, Kurnia, & Maulana, (2019) found that organizational commitment, responsibility and discipline affect employee performance. Furthermore, Jufrizen (2017) argued that ability affects employee performance. This study proposes that the factors which influence employee performance are living cost, ability, family demands, security, incentives, motivation, rewards, and work environment.

RESEARCH METHOD

This research was conducted using descriptive and quantitative methods, by providing explanations about theories related to the main ideas of this study. The quantitative methods are systematics of parts and phenomena as well as their relationships to test the validity of the data obtained by factor analysis conducted to determine the dominant influencing factors of employee performance.

The population of this study were all employees in Medan city. By determining non-probability sampling, to determine the samples, we used accidental sampling technique, namely determining the samples based on chances. The questionnaires were distributed online via Google forms.

The data collection techniques were questionnaires and documentations. The data were collected from books and previous related research as the supporting reference materials for the researchers. The data were analyzed by principal component analysis statistical tests to extract the original variables. This method was chosen to determine the minimum number of variables extracted (as few as possible) yet absorbing most information in all original variables.

RESULTS AND DISCUSSION

To reduce and summarize the data, we utilized factor analysis. Each variable was expressed as a linear combination of the underlying factors. Principal component analysis is a method used to extract native variables. Table 1 presents the factor analysis results.

Table 1. Factor Analysis Results

Communalities		
	Initial	Extraction
Cost of Living	1,000	,693
Ability	1,000	,491
Family Demands	1,000	,633
A sense of security	1,000	,389
Insentives	1,000	,510
Motivation	1,000	,252
Award	1,000	,517
Work Environment	1,000	,555

Extraction Method: Principal Component Analysis.

Source: Data Processing Results (2020)

Table 1 shows how large a variable can explain the following factors:

1. Variable X1 value is 0,693, meaning that variable X1 (cost of living) can explain a factor by 69,3%;
2. Variable X2 is 0,491, meaning that variable X2 (ability) can explain the factor by 49,1%;
3. Variable X3 is 0,633, meaning that variable X3 (family demands) can explain the factor by 63,3%;
4. Variable X4 is 0,389, meaning that variable X4 (a sense of security) can explain the factor by 38,9%;
5. Variable X5 has a value of 0,510, meaning that the variable X5 (insentives) can explain a factor by 51,0%;
6. Variable X5 has a value of 0,252, meaning that the variable X5 (motivation) can explain a factor by 25,2%;
7. Variable X6 has a value of 0.517, meaning that the variable X6 (award) can explain a factor by 51,7%;
8. Variable X6 has a value of 0.555, meaning that the variable X6 (work environment) can explain a factor of 51,7%.

From the results of the above processing, there are five factors which can explain the factors affecting employee performance during the COVID 19 pandemic. This is indicated by the extraction value of each variable above 50%. Table 2 describes how many factors might be formed.

Table 2. Results of Variants Explanation

Component	Total Variance Explained					
	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1,613	20,165	20,165	1,613	20,165	20,165
2	1,355	16,932	37,097	1,355	16,932	37,097
3	1,071	13,387	50,484	1,071	13,387	50,484
4	,986	12,324	62,808			
5	,871	10,891	73,699			
6	,773	9,667	83,367			
7	,686	8,570	91,937			
8	,645	8,063	100,000			

Extraction Method: Principal Component Analysis.

Source: Data Processing Results (2019)

Based on Table 2 above, the variance can be explained by four factors as follows:

1. $1,613/8 \times 100\% = 20,16\%$.
The total Factor 1 will explain the variable by 20,16%. Since the eigenvalue is set to 1, then the total value taken is > 1 which is component 1. The value of the first total variable as the first factor is living cost, for the total value of its initial eigenvalue is $1,254 > 1$.

2. $1,193/6 \times 100\% = 16,94\%$

The total Factor 2 will explain the variable by 16,94%. Since the value of its eigenvalue is set to 1, then the total value taken is > 1 , which is component 1. The value of the second total variable as the second factor is ability for the total value of its initial eigenvalue is $11,193 > 1$.

3. $1,071 / 8 \times 100\% = 13,34\%$

The total Factor 3 will explain the variable by 13,34%. Since the value of eigenvalue is set to 1, then the total value taken is > 1 which is component 1. The value of the total of the third variable as the third factor is family demands for the total value of its initial eigenvalue is $1,064 > 1$.

Based on these explanations, the factors formed are three. They are living cost, ability, and family demands. The total variance after the extraction of eight variables into three factors is $20.16\% + 16.94\% + 13.34\%$ producing 50.44% .

The research results confirm that the factors affecting employee performance are living cost, ability, and family demands. This is indicated by the total eigenvalue of each variable > 1 . Living cost deals with the cost used to maintain one's standard of living. The higher the living cost makes someone to work better to get a higher income. This leads to a conclusion that living cost affects employee performance.

Secondly, work ability is about employees' ability to use their skills and intelligence in solving problems at work. Ability is closely related to the physical and mental abilities people have to carry out their work. The absence of this ability affects the increase in employment (Robbins, 2006). This is in line with Shafiah, Siswidiyanto, & Prasetyo (2004) stating that ability affects employee performance.

Thirdly, the factors which influence employee performance are family demands. The more family demands, the more enthusiastic a person will be to do their best at work. Family demands are one of the external factors which affect someone's enthusiasm for work. This underlines that family demands affect employee performance.

CONCLUSIONS

Previous sections have discussed eight factors which influence employee performance, namely living cost, ability, family records, security, incentives, motivation, rewards, and work environment. Out of the eight factors, this study drew out three factors affecting employee performance, namely living cost, abilities, and family secrets. However, this study could not belie other factors affecting employees besides responsibility, such as organization, compensation, etc. Therefore, further researchers shall conduct research on these factors.

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