

Effects of Organisational Competence and Commitment on Cooperative Human Resource Performance: A Study on Cooperatives in Bandung City, Indonesia

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ABSTRACT

This study aims to determine the influence of organisational competence and commitment on the performance of cooperative human resources (HR) in Bandung City, Indonesia. The study population comprises 528 cooperatives and sample of 41 representatives of cooperative administrators. This research used quantitative methods with a survey approach. Primary data collection is conducted using questionnaires, while secondary data is through documentation studies. Data is analysed quantitatively using partial least square (PLS) techniques with Smart PLS software. The results of the analysis demonstrated that organisational competence and commitment have a significant partial or simultaneous effect on the performance of cooperative HR. The magnitude of the influence of competence on HR performance is 55.3%, whereas the influence of organisational commitment on HR performance is 32.7%. The magnitude of the simultaneous influence of competence and organisational commitment on HR performance is 88%, while 22% is influenced by other variables. The findings show that competence is the main support for organisational performance. This study recommends further research related to other influential variables related to competence such as education and training variables. Practically, organisational commitment needs to be considered and increased through motivation and other efforts relevant to the cooperative's HR.

Keywords: competency, organisational commitment, cooperative, Human Resources performance.

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1. INTRODUCTION

A cooperative is defined as an entity that aims to improve the welfare of its members by conducting various economic activities capable of providing benefits, with the primary principle of mutual help (Bretos et al., 2018; Castilla-Polo & Sánchez-Hernández, 2020; Tola et al., 2021). In Indonesia, hundreds of thousands of cooperatives are registered under the Ministry of Cooperatives and SMEs (Ministry of Cooperatives and SMEs, 2021).

One characteristic of cooperative activities is the Annual Members Meeting (AMM). Active cooperatives are partly characterised by the presence of such activities. AMM activities are among the activities performed by cooperatives to ensure that

cooperative activities can run efficiently and transparently. The number of cooperatives that do not carry out *RAT* activities can be partly attributed to the inadequacy of the abilities/competencies possessed by human resources (HR) in cooperatives (Andriyawan & Ajijah, 2020). If the HR owned by the cooperative have good competencies, not only they can increase the level of competitiveness of the cooperative (Martini et al., 2017), but they also enable cooperatives to organise and fulfil their responsibilities.

Bandung City, one of the regions in West Java, Indonesia, has a relatively large number of cooperatives. Based on data from the Ministry of Cooperatives and SMEs (2021), Bandung City has 528 active cooperatives. However, many cooperatives do not conduct business activities and other organisational activities. Approximately 1,300 cooperatives in Bandung City are inactivity and various issues (Bisnis.com, 2019).

One of the crucial variables related to organisational performance is HR performance. Among the various problems associated with HR performance, one significant issue is the lack of HR competence. Firstly, the skills possessed in the fields of marketing, accounting, finance, production, and packaging do not meet the demands of business development. Secondly, the knowledge of cooperative administrators about business management is limited when compared to private companies. Thirdly, the work attitude is not conducive to the tasks undertaken.

2. LITERATURE AND THEORETICAL REVIEW

2.1 Previous Research

Previous research on competency, organisational commitment, and performance used the Systematic Mapping Study (SMS) method. The search for scientific publication data is conducted on the Scopus website. Several stages have been undertaken to obtain relevant journals. Firstly, researchers formulate research questions to search for ‘competency’ AND ‘organisational commitment’ AND ‘performance’. The results of the first stage yielded 106 scientific publication data discussing the topic. Researchers remove duplicates of the same title based on the search results and obtained 105, and applied inclusion and exclusion criteria to sort relevant articles.

Table 1. Inclusion and Exclusion

No.	Inclusion	Exclusion
1.	The article has topics related to competency, organisational commitment, and performance.	The article discusses topics other than organisational commitment and performance.
2.	English and Indonesian articles.	Articles not in English or Indonesian.
3.	Article documents in the form of journals.	Documents in other forms.
4.	Peer-reviewed papers.	Non-peer-reviewed and duplicate papers.

Source: Data processed, 2021

Based on this inclusion and exclusion criteria, 56 articles that discuss competency, organisational commitment and performance are in English and Indonesian, in a form of journal documents and peer-reviewed papers. These articles are grouped based on the focus of research, as presented in the following table.

Table 2. Research Focus

No.	Research Focus	Notes
1.	Competency.	Articles focusing on competency.
2.	Organisational commitment.	Articles focusing on organisational commitment.
3.	Performance.	Articles focusing on performance.
4.	Competency and organisational commitment.	Articles focusing on competency and organisational commitment.
5.	Competency, organisational commitment, and performance	Articles focusing on competency, organisational commitment, and performance.

Sources: Processed data from SMS (2021)

Based on the 56 articles, there are 15 articles researched in the United States, 5 articles in Indonesia, 4 articles in Malaysia, 3 articles in South Africa and South Korea, and 2 articles in each of the following countries: Australia, Canada, India, Turkey, Hong Kong, and the United Kingdom, as well as 1 article in each of the following countries: China, Czech Republic, Finland, France, Ghana, Iran, Italy, Japan, New Zealand, Nigeria, Portugal, Saudi Arabia, and Thailand.

Viewed by year, this research spans from 1994 to 2021, beginning with Boston (1994, 1995). Four articles were published in 2007, 2014, and 2020. The year 2019 had the most published articles, with 9 articles. Most recently, 7 articles were published in 2021. It is evident that research on competency, organisational commitment, and performance occurs every year.

Based on the criteria for research focus, three articles that discuss competency are by Geun and Park (2019), Heerdegen, Aikins, Amon, Agyemang, and Wyss (2020), and Nicholas et al. (2019). Geun and Park (2019) discuss competency, emotional control, and communication skills, Heerdegen et al. (2020) discuss competency and managerial capacity; Nicholas et al. (2019) discusses professional competency, orientation, and social work.

There are 16 articles that discuss organisational commitment. This focus is discussed by Boston (1994, 1995) on the transformation of work. Ding (2021) discusses challenge-hindrane appraisals, competitive productivity, STARA awareness, and work engagement. Doshi and Budhedeo (2015) focus on internal marketing. Halim et al. (2021) discuss job satisfaction and leadership styles. Emotional intelligence, job attitude, and organisational performance are discussed by Jung and Kim (2010). Khan et al. (2014) discuss transformational leadership and emotional intelligence. Kim and Carlson (2016) focus on service performance. Kock and Palmer (2019) discuss workplace spirituality. Mainous A. G. et al. (2018) discuss professional identity and job satisfaction. Moore and Khan (2020) discuss HRD practices. Salminen and Miettinen (2019) discuss employee perception. Stein et al. (2005) discuss clinical communication and relationship skills. Waitip et al. (2014) discuss organisational citizenship behaviour, organisational loyalty concern and performance evaluation system competency. Wang et al. (2018) discuss organisational error management, trust, and employee creativity. Drey et al. (2009) discuss professional commitment and professional development. These articles focus on aspects that can increase the commitment of HR to the organisation.

Another research focus is on competency and organisational commitment. Thirty-one studies address this focus. The competency aspects that have been studied include anxiety competency, career competency, innovation competency, knowledge competency, multicultural competency, professional competency, relational competency,

self-competency, and teamwork competency. Researchers who discuss anxiety competency and organisational commitment are Savas, Dos and Yasar Demirkol (2013). Researchers who discuss career competency and organisational commitment are Kong et al. (2021). Researchers who discuss innovation competency and organisational commitment are Ononye and Igwe (2019).

One researcher who discusses knowledge competency and organisational commitment is Mahatanankoon (2007), who focus on career satisfaction, change management and retention. Researchers who discuss multicultural competency and organisational commitment include Suharto, Suyanto and Hendri (2019), who focus on organisational fairness and job performance. Two studies that discuss professional competency and organisational commitment are Karami, Farokhzadian and Foroughameri (2017) and Maheshwari et al. (2008). The research that discusses relational competency and organisational commitment is Dahinten et al. (2014). The research that discusses self-competence and organisational commitment is Battistelli, Galletta, Vandenberghe and Odoardi (2016). Finally, one research that discusses teamwork competency and organisational behaviour is Leggat (2007).

2.2 Competence

Robbins defines competence as the ability or capacity of an individual to perform various tasks in a job, determined by intellectual and physical ability (Robbins & Judge, 2017). Mangkunegara (2013) contends that competence is a distinguishing factor possessed by those with exceptional abilities compared to those with average or ordinary abilities. Sedarmayanti (2008) asserts that competence is a fundamental characteristic influencing or predicting excellent performance. In this study, competence dimensions are based on Spencer and Spencer's (1993, in Ho & Frampton, 2010) Competency Dictionary, which proposes five dimensions of competence namely: skills, knowledge, self-concept, traits and motives. Jimenez et.al (2021) stated that competence, commitment, and compassion are the core values of the organization, to ensure that the actions of employees are consistent and aligned with organizational strategies.

2.3 Organisational Commitment

Commitment involves willingness and acceptance. An individual may be willing to work hard for specific objects, goals, or values or want to be part of a system (social aspect), making an organisation more or less attractive to potential employees. High involvement in one's work (psychological affection) signifies 'doing whatever can be done to get the job done' (Brown, 1996: 234) in Jarvi (1999). Larkin (in Trisnaningsih, 2003) defines professional commitment as an individual's perceived loyalty to their profession.

Commitment consists of several aspects, with Jarvi (1999) analysing the concepts and approaches in four aspects: 1) objects, which are essential parts of goalsetting, 2) typological (typology), which helps understand different types of commitment and provides analytical instruments, 3) terms, concerning individual planning, action impressions, goal determination, and work orientation and decision-making processes, and 4) the process and development of commitment, providing a dynamic aspect for study development.

Robbins and Judge (2017) define organisational commitment as an employee's alignment with an organisation and its goals and their intention to maintain membership in that organisation. Wegner III and Hollenbeck (1992) similarly describe organisational commitment as identification with one's employer, including the willingness to work hard for the organisation and the intention to remain with the organisation for an extended period.

Robbins emphasises employee alignment with the organisation and employee sincerity towards achieving organisational goals and employee efforts to stay afloat. Wegner III and Hollenbeck are also not much different. They say that organisational commitment is shown by the extent to which employees are willing to work hard as part of the organisation and how willing employees are to stay in the organisation indefinitely.

McShane and Glinow (2003) offer a different perspective, stating that 'organisational commitment refers to the employee's emotional attachment to, identification with and involvement in a particular organisation.' Emotional inclusion, identification and engagement demonstrate employee commitment to the organisation.

Meyer and Allen (1984) distinguish between two types of commitments: affective commitment (emotional attachment to the organisation) and continuance commitment (emphasizing the perceived cost of leaving the organisation). In 1990, Allen and Meyer introduce the third component of commitment, the normative commitment, which indicates a perceived obligation to stay within the organization. Meyer and Allen (1997) name this form of commitment as organisational affective commitment. This is based on Meyer, Allen, and Smith's (1993) revision of the normative commitment scale to explain the difference between affective and normative commitment. The second group of employees exhibit behaviours that are characteristic of normative commitment (Wiener, 1982, in Ozag and Duguma, 2004). According to Wiener, this group of employees does not develop a strong emotional affection for the organisation, but nevertheless has a high level of this form of commitment, continuing to work productively as a result of the cultural, family and organisational ethics that directed their behaviour.

The third form of permanent employees staying in the organisation is not due to loyalty or innate beliefs. This group of employees survived because they had no alternative jobs or had invested too much in the organisation. Referring to Meyer and Allen, the investment in question is tenure, resignation, status, and certain benefits. This third form of organisational commitment, continuance commitment, was first introduced by Becker (1960), in Ozag and Duguma (2004).

2.4 Employee Performance

Experts in human resource management and organisational behaviour explain the concept of performance using language expressions and reviews from different points of view but the meaning contained in essence is the same: performance is a record of outcomes resulting from a certain job or activity over a certain period. This statement is in line with the opinion of Bernardin and Russell (1998), stating that: 'performance is defined as the record of outcome produced on a specified job function or activity during a specified time period'. This is further clarified by Gibson Ivancevich and Donnelly (1997) who state that performance is the level of success in carrying out tasks and the ability to achieve predetermined goals.

Mathis and Jackson (2002) state that performance is basically what employees do or do not do. Employee performance is what influences how much they contribute to the organisation which includes quantity of output, quality of output, duration of *output*, and attendance at work. There are six primary criteria for measuring performance according to Bernardin and Russell (1998):

1. Quality is the level or extent to which the process or results of implementing activities approach the expected goals.
2. Quantity is the amount produced, for example, the number of rupiah, the number of units and the number of activity cycles completed.

3. Timeliness is the degree to which an activity is completed at the desired time by taking into account the coordination of other outputs as well as the time available for other activities.
4. Cost-effectiveness is the degree to which the use of organisational resources (human, financial, technological and material) is maximised to achieve the highest results or reduction of losses from each unit of resource use.
5. Need for supervision is the degree to which a worker can perform a job function without requiring the supervision of a supervisor to prevent undesirable actions.
6. Interpersonal impact is the degree to which employees maintain self-esteem, good name, and cooperation among colleagues and subordinates.

2.5 Relationships between Variables

Fu and Deshpande (2014) state that organisational commitment has a direct impact on managerial performance. Kaveski et al. (2021) state that managers of companies in the textile industry who are affectionately committed to the organisation are more likely to better develop their tasks, presenting superior managerial performance when compared to other managers. Sofyan et al. (2021) state that the competency, career development, and compensation variables together have a significant effect on organisational commitment. Hasanah and Madiistriyatno (2020) state that competency influence organisational commitment. The implication of the fact from this research shows that the better the competency, the higher the organisational commitment. Afriliana et al. (2021) state that the competency variable significantly affects the HR performance of the Family Hope Program in Banyuasin District.

Hamzah et al. (2021) identified a relationship between technical and behavioural competency and performance improvement in the banking industry in Malaysia, particularly among Islamic banking employees. This finding suggests that a combination of these competencies requires special attention to improve the work performance of Islamic banking staff in Malaysia and enhance the overall performance of the Islamic banking industry.

3. RESEARCH METHODS

This study investigates competence, organisational commitment, and performance within cooperatives in Bandung City. A quantitative approach employing survey methods was used for the research, which utilise questionnaires for data collection. Primary and secondary data were used in this study. Primary data was gathered from employees through questionnaires distributed to respondent's representative of the population. Data on competency-based human resource management, commitment, and performance were collected from questionnaires distributed to cooperatives in Bandung City. The population of this study comprised 528 cooperatives with 41 cooperatives samples registered across Bandung City. Every cooperative is represented by chairpersons and management members who were considered to represent the cooperative as an institution. The total respondents are 92 people.

Secondary data was obtained through documents related to the company's history, organisation, annual reports, and other data pertinent to the research topic. This data includes company history, company organisation data, annual report data, and other data related to the object of research. The data analysis model used in this study is Structural Equation Modelling (SEM) using Smart PLS software.

Table 3. Operationalisation of Variables

Variables	Dimension	Indicators
Competency of Development (X)	Skills	<ul style="list-style-type: none"> • Critical Analysis and Problem-Solving Skills. • Communication Skills. • Conceptualization and Abstraction Skills. • Skills to Manage Situational Politics.
	Knowledge	<ul style="list-style-type: none"> • Technical Knowledge. • Work Experiential Knowledge. • Comprehensive Knowledge. • Contextual Knowledge.
	Self-Concept	<ul style="list-style-type: none"> • Walk the Middle Ground. • Be Visionary.
	Traits	<ul style="list-style-type: none"> • Be Creative. • Be Open-minded.
	Motives	<ul style="list-style-type: none"> • Be Passionate. • Be Resilient.
Organisational Commitment (X2)	Affective commitment	<ul style="list-style-type: none"> • Make extra effort. • Proud of the company. • Proud to be part/member of the company. • It' is nice to choose a company as a place to work. • Care about the fate of the company.
	Continuance commitment	<ul style="list-style-type: none"> • Loyalty to the company. • Alternative jobs. • Effect if leaving the company. • Consider the benefits obtained if working for a long period of time. • Compliance with company policies regarding employees. • Deciding to work for a company is a fatal decision.
	Normative commitment	<ul style="list-style-type: none"> • Accept all forms of tasks. • Value match with the company. • The company as a source of inspiration. • The company is the best place to work.
Human Resource Performance (Y)	Quality	<ul style="list-style-type: none"> • Work according to quality standards. • Work errors.
	Quantity	<ul style="list-style-type: none"> • Compliance with predetermined quantity targets. • Exceeding quantity targets.
	Timeliness	<ul style="list-style-type: none"> • Get work done on time. • Not delaying work. • Utilization of free time.
	Cost-effectiveness	<ul style="list-style-type: none"> • Efficient use of workforce. • Low damage rate of work facilities.
	Need for supervision.	<ul style="list-style-type: none"> • Able to complete work without close supervision. • Discipline with little supervision. • Initiative.
	Interpersonal impact	<ul style="list-style-type: none"> • Ability to work with colleagues.

Variables	Dimension	Indicators
		• Shared problem-solving skills.

Source: Data processed by author, 2021

4. RESULTS AND DISCUSSION

The following is the distribution of cooperatives in the Bandung City area, in terms of the status of certified and uncertified cooperatives. Of the 1,179 cooperatives in Bandung City, 528 (45%) have been certified, whereas the remaining 651 (55%) have not.

4.1 Competency Variable Description Analysis

Based on the questionnaire distributed to respondents, the responses from respondents regarding competence are known. Competence in this study is measured by five dimensions, namely, skills, knowledge, self-concept traits, and motives. The research was conducted on 92 respondents who were cooperative chairmen and management members considered to represent cooperatives as institutions. The following are the results of respondents' responses regarding competence. The recapitulation of the score against the competency variable (X1) consisting of the five dimensions can be seen in the following table:

Table 4. Recapitulation of Competency Variable

No.	Dimension	Score	Number of Items	%
1	Skills	791	4	80.7%
2	Knowledge	781	4	79.7%
3	Self-Concept	365	2	74.5%
4	Traits	411	2	83.9%
5	Motives	405	2	82.7%
Total		2753	14	80.3%

Source: Research data, 2021

Based on the calculation in Table 4, the recapitulation results regarding the competency variables obtains the total score percentage of 80.3% with high criteria. Among the five dimensions in the competency variable, the highest percentage achievement is 83.9% in the traits dimension. The lowest percentage is 79.7% in the *knowledge* dimension.

4.2 Analysis of the Description of Organisational Commitment Variables

Based on the questionnaire distributed to respondents, the responses from respondents regarding organisational commitment can be known. Organisational commitment in this study is measured by three dimensions, namely affective commitment, continuance commitment, and normative commitment. The following are the results of respondents' responses regarding organisational commitment.

Table 5.1 Recapitulation of Organisational Commitment Variables

No.	Dimension	Score	Number of Items	%
1	Affective commitment	1031	5	84.2%
2	Continuance commitment	1072	6	72.9%
3	Normative commitment	773	4	78.9%
Total		2876	15	78.3%

Source: Research Data, 2021

Based on the calculation in Table 5, the results of the recapitulation of the organisational commitment variable obtains the total score percentage of 78.3% with high criteria. Among the three dimensions in the organisational commitment variable, the highest percentage achievement is 84.2% in the affective commitment dimension. The lowest percentage is 72.9% in the continuance commitment dimension.

4.3 HR Performance Variable Description Analysis

Based on the questionnaire distributed to respondents, the responses from respondents regarding HR performance can be known. HR performance in this study is measured by six dimensions, namely quality, quantity, timeliness, cost-effectiveness, need for supervision, and interpersonal impact. The following are the results of respondents' responses regarding HR performance.

Table 5.2 Recapitulation of HR Performance Variables

No.	Dimension	Score	Number of Items	%
1	Quality	381	2	77.8%
2	Quantity	371	2	75.7%
3	Timeliness	588	3	80.0%
4	Cost-effectiveness	391	2	79.8%
5	Need for supervision	562	3	76.5%
6	Interpersonal impact	422	2	86.1%
Total		2715	14	79.2%

Source: Research Data, 2021

Based on the calculation of the table above, the recapitulation results regarding HR performance variables shows the total score percentage of 79.2% with high criteria. Among the six dimensions, the highest percentage achievement is 86.1% in the interpersonal impact dimension. The lowest percentage is 75.7% in the quantity dimension.

4.4 Influence of Organisational Competence and Commitment on Cooperative Human Resources Performance in Bandung City

In this study, hypothesis testing uses the PLS analysis technique with the Smart PLS 30 program. The following is a model of the PLS program tested:

Figure 1 Outer Model

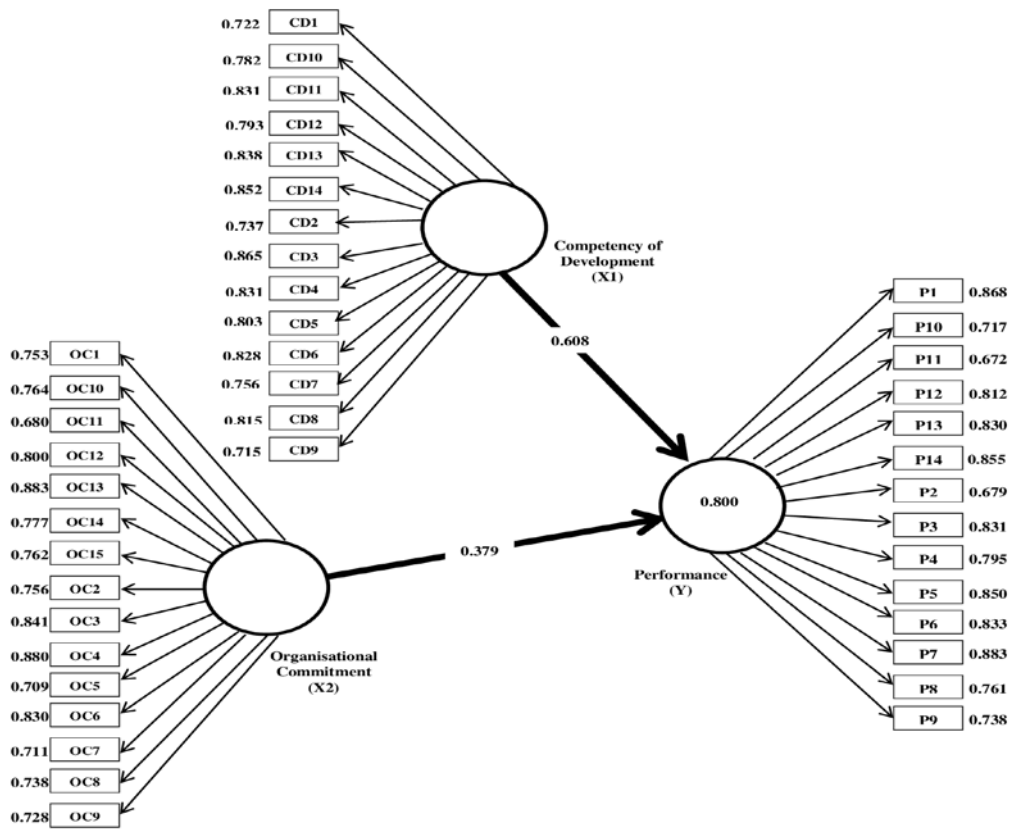
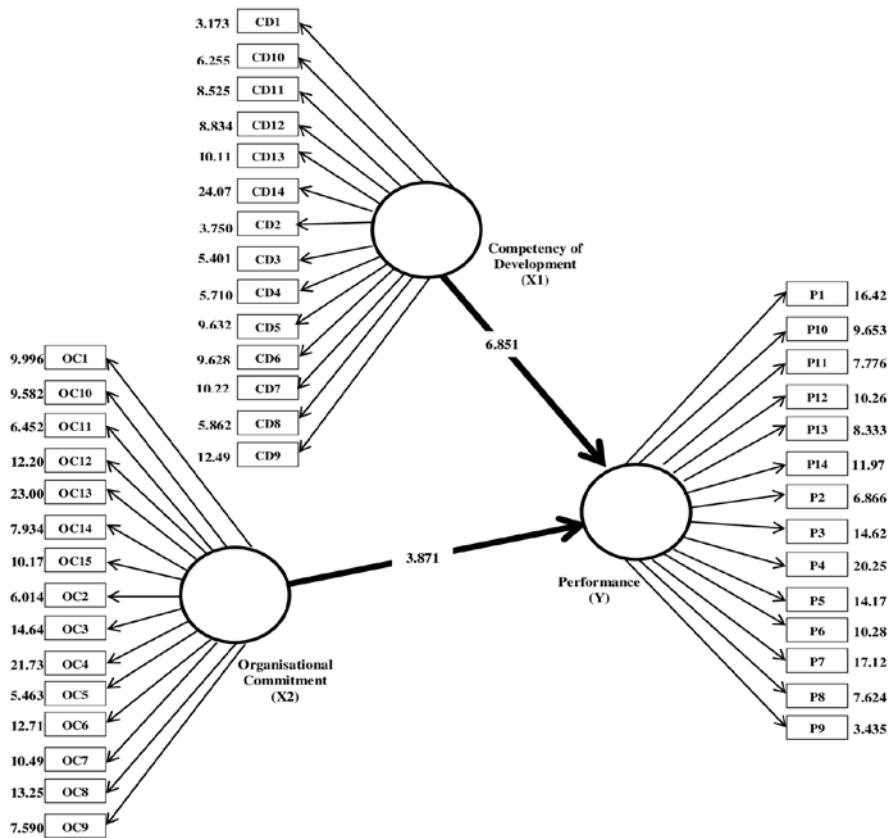


Figure 2 Inner Model



4.5 Evaluation of Outer Model Convergent Validity

To test convergent validity using outer loading value or loading factor, an indicator is declared to meet convergent validity in the good category if the outer loading value is > 0.7. Here are the outer loading values of each indicator on the research variables:

Table 6. Outer Loading Variables

Competency Development (CD) (X1)		Organisational Commitment (OC) (X2)		Performance (P) (Y)	
Indicators	Outer Loading	Indicators	Outer Loading	Indicators	Outer Loading
CD1	0.722	OC1	0.753	P1	0.868
CD2	0.737	OC2	0.756	P2	0.679
CD3	0.865	OC3	0.841	P3	0.831
CD4	0.831	OC4	0.880	P4	0.795
CD5	0.803	OC5	0.709	P5	0.850
CD6	0.828	OC6	0.830	P6	0.833
CD7	0.756	OC7	0.711	P7	0.883
CD8	0.815	OC8	0.738	P8	0.761
CD9	0.715	OC9	0.728	P9	0.613
CD10	0.782	OC10	0.764	P10	0.717
CD11	0.831	OC11	0.680	P11	0.672
CD12	0.793	OC12	0.800	P12	0.812
CD13	0.838	OC13	0.883	P13	0.830
CD14	0.852	OC14	0.777	P14	0.855
		OC15	0.762		

Based on the presentation of data in Table 6, the indicators in the competency variable (X1) all have an outer loading value of > 0.7. No variable indicators have an outer loading value below 0.7, so all indicators are declared feasible or valid for research use and can be used for further analysis.

Likewise, the variable organisational commitment (X2), all have an outer loading value of > 0.7. No variable indicators have an outer loading value below 0.7, so all indicators are declared feasible or valid for research use and can be used for further analysis.

For the performance variable (Y), 11 indicators have an outer loading of >0.7, the remaining 3 indicators have a value of >0.6. According to Chin as quoted by Ghazali (2014), the outer loading value between 0.5 and 0.6 is considered sufficient to meet the convergent validity requirements, so all indicators are declared feasible or valid for research use and can be used for further analysis.

4.6 Discriminant Validity

This section describes the results of the discriminant validity test. Discriminant validity is tested using cross loading values. An indicator is declared to meet discriminant validity if the cross-loading value of the indicator on its variable is the largest compared with other variables. Based on the results of the calculation of the cross-loading value, it shows that the correlation value of the construct with the indicator is greater than the correlation value with other constructs. Thus, all latent constructs or variables already have good

discriminant validity, where the indicators in the indicator block are better than indicators in other blocks. The cross-loading values of each indicator attached

Each indicator in the research variable has the largest cross loading value on the variable formed compared with the cross-loading value on other variables. Therefore, the indicators used in this study already have good discriminant validity in compiling their respective variables.

In addition to observing the cross-loading value, discriminant validity can be known through other methods, such as by looking at the average variant extracted (AVE) value for each indicator, which is required to be > 0.5 for a good model.

Table 7. Average Variant Extracted

Variables	AVE
Competency (X1)	0.639
Organisational Commitment (X2)	0.603
Performance ((Y)	0.624

Based on the presented data in Table 7, the AVE value of the variables competency (X1), organisational commitment (X2), and performance (Y) > 0.5 . Thus, it can be stated that each variable has a good discriminant validity.

4.7 Composite Reliability

Composite Reliability is a part used to test the reliability value of indicators on a variable. A variable can be declared to meet composite reliability if it has a composite reliability value of > 0.6 . The following are the composite reliability values of each variable used in this study:

Table 8 Composite Reliability

Variables	Composite Reliability
Competency (X1)	0.961
Organisational Commitment (X2)	0.958
Performance ((Y)	0.958

Based on the presentation of data in Table 8, the composite reliability value of all research variables is > 0.6 . Each variable has met composite reliability, so all variables have a high level of reliability.

4.8 Cronbach Alpha

The reliability test with composite reliability above can be strengthened using the Cronbach alpha value. A variable can be declared reliable or satisfy Cronbach alpha if it has a Cronbach alpha value of > 0.7 . The following is the Cronbach alpha value of each variable:

Table 9. Cronbach Alpha

Variables	Cronbach's Alpha
Competency (X1)	0.956
Organisational Commitment (X2)	0.952
Performance ((Y)	0.953

The Cronbach alpha value of each research variable is > 0.7 . Thus, the overall variable has a high level of reliability.

4.9 Inner Model Evaluation

This section explains the results of the path coefficient test, goodness of fit test, and hypothesis test.

4.9.1 Path Coefficient Test

Path coefficient evaluation is used to show how strong the effect or influence of the independent variable is on the dependent variable. Coefficient determination (R-square) is used to measure how much endogenous variables are affected by other variables. Chin quoted by Ghozali (2014) states that the results of R^2 of 0.67 and above for endogenous latent variables in structural models indicate the influence of exogenous variables (which influence) on endogenous variables (influenced) is included in the good category. Conversely, if the result is 0.33–0.67, then it is included in the medium category; if the result is 0.19–0.33, then it is included in the weak category.

Based on the results of the analysis, the largest path coefficient value of 0.608 is shown by the influence of competency (X1) on HR performance (Y). However, the effect of organisational commitment (X2) on HR performance (Y) is 0.379. Thus, all variables in this model have a path coefficient with a positive number. This shows that the greater the value of the path coefficient on one independent variable on the dependent variable, the stronger the influence between independent variables on the dependent variable.

4.9.2 R² Value and Partial Magnitude of Effect

Based on data processing carried out using the Smart PLS 3.0 program, the R-square (R^2) value is obtained as follows:

Table 10. R-square Values

Variables	R Square
Performance ((Y)	0.880

The R-square value for the performance variable (Y) is 0.880. The acquisition of this value explains that the percentage of performance (Y) can be explained by 88% of competency (X1) and organisational commitment (X2).

Table 11. Calculation of the Magnitude of Effect

Variables	Path Coefficient	R_{XY}	Partial effect
Competency (X1) -> Performance ((Y)	0.608	0.909	0.553
Organisational Commitment (X2) -> Performance ((Y)	0.379	0.862	0.327

The table above indicates that the magnitude of the partial influence of competence (X1) on performance (Y) is 0.553 or 55.3%, whereas the magnitude of the partial influence of commitment organisation (X1) on performance (Y) is 0.327 or 32.7%. Thus, competence has a greater influence on performance compared with organisational commitment.

4.9.3 Hypothesis Test

Hypothesis testing using PLS is done by bootstrapping the sample. This test is carried out to minimise the problem of abnormalities in research data. The test results from PLS analysis can be seen in the following table:

Table 12. T-Statistics and P Values

	T Statistics	P Values
Competency (X1) -> Performance ((Y)	6.851	0.000
Organisational Commitment (X2) -> Performance ((Y)	3.871	0.000

The table reveals that the T statistics value of 6.851 with P value (0.000) < 0.05 means that competence has a significant effect on the performance of cooperative HR.

The T statistics value of 3.871 with P Value (0.000) < 0.05 means that organisational commitment has a significant effect on the performance of cooperative HR. Statistical test F is used to determine the effect simultaneously as follows:

$$F = \frac{R^2/k}{1 - R^2/(n - k - 1)} = \frac{0.880/2}{1 - 0.880/(49 - 2 - 1)} = \frac{0.440}{0.00260869565217391} = 168,667$$

Based on the calculation results, the F_{count} value is 168,667, whereas the F_{table} value with alpha is 5%, $df_1=2$ and $df_2=46$ is 3.200. Thus, in the value of F_{count} (168,667) > F_{table} (3,200), H_0 is rejected, meaning that the competence and commitment of the organisation together have a significant effect on the performance of cooperative HR. This finding is in line with Suryanarayana (2022) that stated organizational commitment remains to be a variable of interest as it contributes to positive employee and organizational-level outcomes.

5. CONCLUSION, IMPLICATIONS, AND RECOMMENDATIONS

Descriptive analysis results show that all studied variables namely, competence, organisational commitment, and HR performance are in the high category. Competence is the most influential variable compared with other variables, whereas organisational commitment has the lowest influence on performance.

Overall, organisational competence and commitment have a significant partial or simultaneous effect on the performance of cooperative HR. The influence of competence on HR performance is 55.3%, whereas the effect of organisational commitment on HR performance is 32.7%. The combined influence of organisational competence and commitment on HR performance is 88%.

Based on these conclusions, it can be stated that organizational commitment and human resource competence in cooperatives have a very important influence in cooperative development. Therefore, it is important that for the development of cooperatives in the future, managers and policy makers at the government level pay attention to organizational commitment and human resource competence.

With regard to organizational commitment, this is shown by the fact that the decline in cooperative contribution in the economy is caused by low awareness of cooperatives in members. In 2107, the contribution of cooperatives to GDP only reached 4.48%. Not all cooperative members have full awareness in cooperatives. Such actions can be in a form of not depositing mandatory dues to the cooperative, in relation to the competence of the low ability of professionals in cooperative management. The available human resources sometimes lack expertise, causing a lack of cooperation between management, supervisors, and members. The low quality of human resources is influenced by the lack of cooperative education which results in cooperatives not running smoothly. Those who are chosen to be managers of cooperatives are often only those who have a high social position in society, regardless of their abilities.

Some things that can be done in an effort to increase the commitment and competence of cooperative human resources are through education of cooperative members and increasing managerial capabilities for cooperative managers. In cooperative education and training, it is important to deliver training materials related to cooperative awareness. Cooperative awareness materials will provide knowledge to cooperative members about their rights and obligations. With the awareness they have, it will increase the commitment of cooperative members to their cooperatives.

Some things that can be done in improving the competence of cooperative human resources are by providing cooperative business managerial training such as financial management, marketing management, production and distribution management, and other business functions.

In relation to the above, the government as a policy maker should create a conducive business climate for the development of cooperatives through a series of policies. This has actually been done by the government in the city of Bandung where every business activity space is assigned an outlet portion for cooperatives and small and medium enterprises. This policy should be adopted by the government at a larger level covering all of Indonesia.

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Attachment 1. Cross Loading

	Competency of Development (X1)	Organisational Commitment (X2)	Performance (Y)
CD1	0,722	0,439	0,555
CD2	0,737	0,452	0,546
CD3	0,865	0,693	0,750
CD4	0,831	0,609	0,723
CD5	0,803	0,571	0,726
CD6	0,828	0,638	0,761
CD7	0,756	0,629	0,759
CD8	0,815	0,668	0,703
CD9	0,715	0,622	0,735
CD10	0,782	0,599	0,693
CD11	0,831	0,650	0,708
CD12	0,793	0,685	0,717
CD13	0,838	0,723	0,822
CD14	0,852	0,782	0,868
OC1	0,726	0,753	0,801
OC2	0,533	0,756	0,540
OC3	0,641	0,841	0,654
OC4	0,657	0,880	0,731
OC5	0,484	0,709	0,502
OC6	0,697	0,830	0,752
OC7	0,476	0,711	0,620
OC8	0,428	0,738	0,572
OC9	0,559	0,728	0,553
OC10	0,560	0,764	0,610
OC11	0,558	0,680	0,592
OC12	0,738	0,800	0,814
OC13	0,695	0,883	0,791
OC14	0,708	0,777	0,682
OC15	0,630	0,762	0,651
P1	0,790	0,745	0,868
P2	0,674	0,584	0,679
P3	0,763	0,689	0,831
P4	0,629	0,556	0,795
P5	0,764	0,701	0,850
P6	0,824	0,718	0,833
P7	0,836	0,755	0,883
P8	0,726	0,720	0,761

P9	0,551	0,527	0,613
P10	0,535	0,606	0,717
P11	0,522	0,635	0,672
P12	0,769	0,748	0,812
P13	0,777	0,742	0,830
P14	0,769	0,735	0,855