Impact Of Employee Internal And External Factors On Performance, Moderated By Online Application

Deden Tarmidi, Regina Jansen Arsjah

Abstract: This study aims to analyze the impact of internal factors of an employee (such as age, discipline, and motivation), and external factors (such as training and incentives) on employee performance directly and on organizational performance indirectly. The online application is the moderation to the relationship between internal and external factors on performance. The uniqueness of this study is using taxi drivers as its unit analysis — the snowballing method in data collection use e-questionnaire. The sample is 100 taxi drivers. The data analyzed using SmartPLS 3. The results showed that the driver's motivation has a positive impact on employee performance and organizational performance. Employee performance has a positive impact on organizational performance. The online application weakens the relationship between employee performance and organizational performance. The study implies that the company should always increase the driver’s motivation. For the role of online applications that weaken the relationship, management needs to seek solutions.

Index Terms: Employee Internal Factors, Employee External Factors, Employee Performance, Organizational Performance, Online Application.

1 INTRODUCTION
TRANSPORTATION is an important sector in business, not only for moving goods but also people. Congestion in several cities in the world, including Indonesia, such as Jakarta, cause the reluctance of vehicle owners to use their vehicles in their daily routine, so public transportation services including taxis are an alternative. History records the existence of the world’s first taxi company in 1897 namely the Daimler Victoria taxi. Meanwhile, taxis have been in Indonesia since 1930. The name “taxi” itself comes from the "taximeter" discovered by Wilhelm Bruhn, a German citizen in 1891. The Central Bureau of Statistics (BPS) reported that the development of transportation in Indonesia was quite rapid, including taxis. This was evident from the registration of several taxi companies on the IDX, including Blue Bird. Blue Bird is one of the largest taxi companies in Indonesia, with a standard service called "ANDAL." Every taxi driver is trained to serve passengers as well as possible. The image of excellent service in each passenger is part of the company's performance. The image has been developing the company until now. Taxi drivers are the most important thing in a taxi company. Thus, the quality of each driver is important for driver performance as well as company performance (Kleinknecht, 2014; Vosloban, 2012; Hatane, 2015). As an individual, each driver is unique in terms of age, discipline, and motivation. This uniqueness can have an impact on performance (Mullen et al., 2017; Groen et al., 2016; Gellert & Schalk, 2012; Pawirosumarto, 2017) and organizational performance (O'Hagan, 2017). As the biggest taxi company in Indonesia, Blue Bird has a good system in human development. Training and incentive are part of any system in the company. Kumara & Utama (2016), Baht (2013), Khan et al. (2014), Hameed et al. (2014) and Triasmoko et al. (2014) found that training and incentive have an impact on employee performance, while Anyango & Muathe (2017) and Aragon et al. (2014) found that training and incentive have an impact on organizational performance. Blue Bird’s growth began to have problems when other online transportation application such as "Gojek," "Grab" and "Uber" appeared in a few last years (Afriyadi, 2017, Liputan6.com). Blue Bird share value and company performance go down since listing on the capital market.

Figure 1 – Performance and Value of BIRD

Passengers prefer to use taxi online because of the ease and benefit of the online application, which is in line with the Technology Acceptance Model (TAM) Theory by Davis (1986).

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applications, drivers do not need to find passengers on the roadside, but just waiting for an order from prospective passengers then the online application implementation strategy can affect organizational performance (Torres et al., 2014; Gidumal & Gonzalez, 2011).

2.1.3 Performance
Performance is something done by a person or group according to task and function (Gilbert, 1977, Wibowo, 2016), in performance there is a combination of individual characteristics of individuals with organizing a person (Kurb, 2002). This study discusses explicitly the impact of internal factors of employees and also external factors of the organization received by the driver. Performance of employees in this study is the ability of employees in person in carrying out their duties while the performance of the organization is a good assessment of employees against the value of the company both economically, relational and adaptive (Marques, 2003).

2.2 Conceptual Framework and Hypothesis Development

2.2.1 Employee Internal Factors on Performance
As a personality, each employee has their uniqueness, and some research finds the uniqueness of each has a relationship and influence on the individual performance or organization where the employee works. Mullen et al. (2017) found that a person's age was influential in controlling safety in work and controlling his performance (Groen et al., 2016). Older employees will perform better because they are more experienced in interacting with their superiors (Gellert & Schalk, 2012).

H1a. Age has a positive impact on employee performance
H1b. Age has a positive impact on organizational performance by employee performance.

A person's motivation in working can affect his or her performance as well as discipline in work (Pawirosumarto et al., 2017; Nabi et al., 2017; Nadeem et al., 2014; Prophet et al., 2017) and also on organizational performance (Dobré, 2013). Referring to the theory of motivation and the theory of expansion that when a person has a certain purpose, then he will work well and achieve his goals can be achieved.

H2a. Discipline has a positive impact on employee performance
H2b. Discipline has a positive impact on organizational performance by employee performance
H3a. Motivation has a positive impact on organizational performance by employee performance
H3b. Motivation has a positive impact on organizational performance by employee performance.

2.2.2 Employee External Factors on Performance
As a social being, a person always needs and needs by others, as well as in work. An employee is needed by the organization to be able to run under the vision of the mission and objectives of the organization, on the other hand, the employees also need support from the company in order to work according to company goals (Sudibyo & Hiskia, 2013). If the level of education is an internal factor that is the basis of

2 LITERATURE REVIEW

2.1 Theoretical Framework

2.1.1 Social Psychology of Organization
In his book “The Human Side of Enterprise” McGregor explains the theory X and the theory Y where the theory X is used by managers who lead employees to work according to direction, while in theory Y manager entrust employees to work according to his way. While Hezberg (1964) describes the theory of motivation that a person on the job base on two things: job satisfaction and job dissatisfaction. The measure of job satisfaction is from how long someone is doing a job, the more satisfied someone in work allegedly the longer his working life. Moreover, Vrom (1964) in the theory of expectation explains that a person is motivated to do something to achieve a certain goal. In theory Y, the theory of motivation and the theory of expectation known that employees, in this case, the driver, can improve company performance directed or targeted company in its way and internal factors possessed both ages, gender, education, discipline and motivation it has. While the theory X to this research is where the performance of the driver personally also influenced by external factors received from organizations such as training, direct compensation and indirect compensation.

2.1.2 Technology Acceptance Model
In the Technology Acceptance Model from Davis (1986) described that someone uses technology due to various reasons such as perceptions about the ease of use of these technologies and the perception of the usefulness of these technologies. The use of online transportation on taxi drivers in Indonesia certainly has specific reasons as well as passengers who also use the application. With the use of online transport applications, drivers do not need to find passengers on the roadside, but just waiting for an order from prospective passengers then the online application implementation strategy can affect organizational performance (Torres et al., 2014; Gidumal & Gonzalez, 2011).
employee knowledge, then training or more precisely on the job training provided by the company is one factor that affects the performance of employees (Salem & Abdien, 2017; Kumara & Utama, 2016; Bhat, 2013, Sharma, 2016, Triasmoko et al., 2014; Al-Mzary, 2015) and company performance (Aragon et al., 2014; Ayango & Muathe, 2017; Athar & Shah, 2015). Training is one’s activity in improving systematic skills and knowledge to have good performance in its field (Eko, 2015) and organizational effectiveness happening well (Falola et al., 2014).

H4a. Training has a positive impact on employee performance.

H4b. Training has a positive impact on organizational performance by employee performance.

Incentives, salaries or rewards from companies are external factors that employees receive and influence personal performance (Groen et al., 2016; Hameed et al., 2014; Panjaitan, 2015; Atambo et al., 2013; Al-Belushi & Khan, 2017).

H5a. Incentive as a positive impact on employee performance

H5b. The incentive has a positive impact on organizational performance by employee performance

2.2.3 Employee Performance on Organizational Performance

The difference in the character of the internal factor of employees have a different impact also on the performance of the employees themselves and because employees is a part of the organization then employee performance impact on organization performance (Hatane, 2015; Vosloban, 2012).

H6. Employee Performance has a positive impact on organizational performance

2.2.4 Implementation of Online Application has Modering impact Employee Performance on Organizational Performance

The use of technology in the business has grown in line with the ease and benefits enjoyed by its users, including online applications in the field of transportation enjoyed by passengers, drivers and also increases of organization performance (Plano & Beharry, 2016).

H7. Implementation of the online application to strengthen the impact of Employee Performance on Organizational Performance

3 METHODOLOGY

3.1 Population and Sample

The unit of analysis that became the population in this study were 23.000 taxi drivers of Blue Bird in Indonesia (www.bluebirdgroup.com). Snowballing method with e-questionnaire by link used in sampling because the amount of taxi driver blue bird in Jakarta each not known and drivers were not at the office but on the way every time. 104 Questionnaire received back from respondents, but only 100 data can be analyzed because the others not complete and filled by the same person. Linkert scale 1-6 used in the questionnaire for filled by respondent.

3.2 Operational Variable

Measurement of each variable in this study adopted previous research, the novelty of this research is used Employee Performance as an intervening variable and Implementation of Online Application as a moderating variable. Organizational performance is a situation where the organization in increasing income and profit which is the result of the performance of employees, especially taxi drivers as the backbone of the company. Researchers asked about the driver's opinion of the company compared to other similar companies (Torres et al., 2014) with a Likert scale of 1-6 in particular about the three dimensions adopted from Marques (2003) are Economic, Relational and Adaptive. In this study, economic measured by (1) revenue and (2) brand, relational measured by (3) order frequency, (4) service of the passenger, while adaptive measured by (5) product differentiation and (6) service innovation. Employee performance is a condition where the taxi driver has good performed his duties in delivery with the determined quality of service. The 3 dimensions used in measuring employee performance are (1) Amount of Effort and (2) Quality of Effort modified from Alfandi & Alkansawneh (2014) and Pawirosumarto at al. (2017) which makes office staff as unit analysis and (3) Decreasing Stress adopted from Gellert & Schalks’ (2012) research. Employee internal factors are a personal factor of the driver attached to the personal and allegedly affect the performance. Adopted from Groen et al. (2016) and Gellert & Schalk (2012), Age measured by (1) wise and (2) experience. Discipline measured by (1) absent, (2) early leaving, and (3) coming late are modified from Pawirosumarto et al. (2017) which makes office and factory employee as unit analysis. Then motivation measured by (1) Comfortable life, and (2) Avoid difficult life are adopted from Pawirosumarto et al. (2017) and Khan et al. (2014). While the employee's external factors in this study are something that is given by the company to employees were measured by training and incentive. In this study, Training measured by two dimensions is (1) first training, and (2) development are adopted from Sharma (2016) and Falola et al. (2014). While incentive measured by (1) commission, (2) bonus, and (3) health allowance, are adopted from Hameed et al. (2014) and Al-Belushi & Khan (2017). The implementation of the online transport application as a moderating variable is measured by the driver's perception of (1) easy and (2) use according to TAM of Davis (1989) and ETAM from Sicotte (2015) described by Taherdoost (2018).

3.3 Hypothesis Testing Method

The model used in this study using Structural Equation Model and analyzed by SmartPLS 3 with validity analysis by outer loading factor and AVE and reliability analysis by Composite Reliability and Cronbach’s alpha and also analysis amount of adjust r-square. The inner model analysis used for see amount of impact exogenous variables on endogenous variables including intervening and moderating variables.

4 RESULT AND DISCUSSION

4.1 Characteristic Respondent

There five questions of respondents’ profile in a
questionnaire are Taxi driver number, Age, Gender, Handphone number, Last Education. Taxi Driver Number and Handphone number are different for each respondent because it is not analyzed and for the other will analyzed here. From 100 respondents the gender all is male and respondent with age between 30 years old up to 40 years old is highest while respondent with age older than 55 years old is lowest. Senior high school is respondents' last education highest while the lowest is the elementary school.

4.2 Descriptive Analysis

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<td>Z1.Employee Performance</td>
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<td>Z2.Implementation Online Application</td>
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<td>Y.Organizational Performance</td>
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With the amount of Mean for each variable in the range 5 and more than Std. Deviation amount that respondents have a good perception of each questionnaire.

4.3 Goodness of Fit Analysis

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Table 2 s that the model is valid because the amount of factor loading each indicator is more than 0.7 and amount of AVE (Average Variance Extracted) is more than 0.5. The model is also reliable because the amount of composite reliability is more than 0.7 and amount of Cronbach's alpha also more than 0.7 (Ghozali & Latan, 2015;76-77; Hair et al., 2012; Hair et al., 2011; Chin, 1998; Chin, 2010). The amount of adjusted R-Square is also good with amount 0.816 and 0.957 for Organizational Performance.

4.4 Hypothesis Test

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Table 3 explained that from 12 hypotheses only three accepted, motivation has a positive impact on employee performance directly and also on organizational performance indirectly, that in line with Nabi et al. (2017), Khan et al., (2014), Pawirosumarto et al. (2017). Employee performance has a positive impact on organizational performance, in line with a prior study from Vosloban (2012). Implementation online application honestly has a significant moderating in impact employee performance on organizational performance, but because the impact is contrary, the hypothesis is rejected. The result explains that employee performance especially driver taxi as direct marketing in a taxi company is very important on organizational performance, a great motivation who had by the taxi driver is very high impact on the development of taxi company like Blue Bird. The other result is that online implementation application in the service of Blue Bird taxi has a negative impact on the performance as an individual and indirect impact on the company. In some interviews with drivers, some drivers do not like using transportation online because passengers able to self-cancel the orders, and there are fake orders. Some drivers became an online car driver. This result can be information, why BIRD's performance goes down a few last years.

5 Conclusion

Motivation has a positive impact on employee performance directly, and on organizational indirectly, employee performance has a positive impact on organization performance significantly and Implementation of Online Application significantly too as moderating between employee performance and organizational performance. That explains
that the driver who has great motivation can increase self
performance and organizational finally. The online application
is a new tool in the transportation system and for the taxi
driver, so the implementation in the job not have a good place
in drivers’ perception because of something like bad attitude
passenger and many drivers who change to online transportation.
The company must have an excellent solution for that obstacle.

6 LIMITATIONS
Some limitations found in this study can be information to the
future study for better, as follow:

1. Using the driver taxi in this study is unique, but based on
result especially negative impact of online application, for
the future study can be better when also using an ex-taxi
driver who changes to online transportation as unit
analysis.

2. Based on the result that motivation has a positive impact,
for the future study can use the new driver as a unit
analysis or make a comparative study between the new
driver and long experience driver.

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APPENDIX 1 – QUESTIONNAIRE

Dear Taxi Driver,

I am a student from Trisakti University, for academic purposes we are researching the performance of taxi driver and company from employee internal and employee external factors and also the implementation of an online application.

Please be willing the fill in each question by selecting the button available and after finishing, please send the link to other drivers. Thanks.

A. PROFILE
1. Driver Number Identity :
2. Age :
   a. Under 30s yo
   b. 30s yo up to 40s yo
   c. 41s yo up to 50s yo
   d. Over than 50s yo
3. Gender : M / F (choose one)
4. Handphone Number :
5. Last Education :

B. QUESTIONNAIRE
Please choose number 1 for "Strongly Disagree" and number 6 for "Strongly Agree" in your opinion from the following statement:

Organizational Performance
1. The taxi company revenue where I work is higher than other taxi companies 1 2 3 4 5
2. The taxi company where I work is famous for being the best in Indonesia 1 2 3 4 5
3. Many orders at taxi companies where I work 1 2 3 4 5
4. Passenger Services are highly preferred in the Company 1 2 3 4 5
5. The company has several types of taxi according to passenger needs 1 2 3 4 5
6. Innovation in passenger service is very important for the Company 1 2 3 4 5

Employee Performance
7. The more passengers, the more
Minimizing operational costs is a profitable thing.

I am very happy to drive well and make passengers comfortable.

The value of passengers after delivery reflects the quality of my driving.

If it is stuck on the road, I look for ways to not stress during the trip.

Complaints from passengers made me stressed.

Prosperous the driver.

Age

Old drivers drive wisely.

Older drivers are more experienced.

Discipline

I always try to be present at work, unless other things are very important.

Coming home quickly before time is a detrimental problem while driving.

If it comes late, the fortune will be smaller.

Motivation

I work well so that my life will be comfortable in the future.

I work well, so I do not live in hardship.

Training

The first training helps the driver understand how to work.

Development employee training with a specific schedule helps the driver to improve service standards.

Incentive

The amount of commission in driving is important.

The amount of bonus in driving is an exciting thing for the driver.

The driver needs health allowances in supporting the work.

Implementation of Online Application

With the online applications, I easily receive orders.

With the online application, I easily find a pickup location.

Online applications help increase orders.

Online applications help show delivery locations.

Thanks,