

Employee Performance of Rattan Industries in Central Sulawesi, Indonesia

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Abstract

This research aims to analyze employee performance of rattan industries in Central Sulawesi. This is descriptive quantitative research. The research population were comprised of all employees and owners of rattan-based small- and medium-scale industries (*industri kecil dan menengah* or IKM) based in the city of Palu and regencies in Central Sulawesi, amounting to 245 people. Its sample size consisted of 152 people. It employed a research variable, which was employee performance that was divided into 4 dimensions: working quality, working quantity, cooperation, and sense of responsibility. Data were analyzed descriptively using the application SPSS. Findings suggest that the majority of the research respondents were male (96.9%) aged 30-40 years (42.0%). In terms of education, most respondents were senior high school graduates (96.71%) and had worked for 1-5 years (53.0%). They generally had never formally attended job training (77.0%). Employee performance based on the dimensions of working quality and sense of responsibility fell into a high category while viewed from the dimensions of working quantity and cooperation, it fell into a moderate category. Based on the findings, it can be concluded that the performance of employees of the rattan industries in Central Sulawesi was high in running a rattan business. However, employees need to strengthen their cooperation in order that their working quantity increases and their working quality improves.

Keywords: Employee Performance, Working Quality, Employee Responsibility, Rattan Industries.

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INTRODUCTION

The continuity of rattan business in Indonesia will depend greatly on various supporting elements. Availability of raw materials, collectors and farmers, intermediary traders and processing industries are all inseparable links in support of business continuity of rattan entrepreneurs [1]. Nowadays, various problems are facing Indonesia's rattan sector, which may threaten the sustainability of the business. Many farmers and collectors began to switch to other business sectors because of low incentives generated from their activities, especially for *perotan* (i.e. those who collect rattan) [2]. This poses a risk of reduced competitiveness in the international market.

Those problems need to be address by both governments and non-governmental institutions, including farmers, collectors, intermediary traders and rattan industries, in order to maintain the continuity of Indonesian rattan business. Various opportunities and constraints faced need to be understood and various policies that have already been established previously needed need to be revised for the better future of the

Indonesian rattan sector, especially regarding trade regulations.

Central Sulawesi Province is one of the largest rattan producing areas in Indonesia besides Kalimantan, Sumatera, and Papua. This is why rattan industries in Central Sulawesi Province has great potential to develop because of the availability of raw materials, making such industries will not have to deal with problems experienced by the same industries based in non-rattan producing areas [3]. On average, the annual increase in rattan potential amounted to 19,756.80 tons while the average production capacity of rattan industries was equal to 17,210 tons, meaning that the production capability of rattan industries is lower than the rattan potential in Central Sulawesi Province [4].

Based on the finding, which is supported by empirical data, it is revealed that the low production capacity of rattan industries compared to rattan potential of Central Sulawesi Province, which is also corroborated by the view of Wirawan that performance of an organization or company results from the performance of its human resources, is due to the poor

performance of human resources, especially employees, of the rattan industries in Central Sulawesi Province [5].

Wirawan classifies the dimensions of employee performance evaluation into four: 1) work results, i.e. the quantity and quality of work results carries out by employee. Work results are in the forms of goods and services whose quantity and quality can be measured; 2) work behavior, i.e. when employees are at work and carry out their work, they demonstrate two types of behavior, which are work behavior and personal behavior; 3) personal traits that have something to do with work, i.e. the ones an employee needs to carry out his/her job; and 4) factors that can influence employee performance, i.e. identifying factors affecting employee performance [5]. Thus, this research aims to analyze employee performance of rattan industries based in Central Sulawesi.

MATERIALS AND METHODS

This is descriptive quantitative research. It was undertaken at rattan industries based in Central Sulawesi Province in January to August 2018.

The research population were comprised of all employees and owners of rattan-based small- and medium-scale industries (IKM) based in the City of Palu and regencies in Central Sulawesi Province. In the City of Palu and Donggala Regency, there were a total of 33 rattan-based small- and medium-scale industries, with 170 employees, and 16 rattan-based small- and medium-scale industries, with 75 employees, respectively. Then, in Banggai Kepulauan Regency and Toli-Toli Regency, there were a total of 14 rattan-based small- and medium-scale industries, with 22 employees, and 4 rattan-based small- and medium-scale industries, with 12 employees, respectively. Lastly, in Buol Regency and Parigi Moutong Regency, there were a total of 4 rattan-based small- and medium-scale industries, with 11 employees, and 3 rattan-based small- and medium-scale industries, with 11 employees, respectively.

Using the technique of purposive sampling, the researcher firstly established criteria for population to

be chosen as the research sample based on several stages as follows:

- The first stage: selecting rattan-based small- and medium-scale industries based in the Province of Central Sulawesi.
- The second stage: selecting rattan-based small- and medium-scale industries that have registered themselves and obtained an active status at the Provincial Office of Industry and Trade of Central Sulawesi.
- The third stage: selecting rattan-based small- and medium-scale industries based throughout the research sites, i.e. regencies/cities in the Province of Central Sulawesi Tengah, a minimum of 16 IKM units in total.
- The fourth stage: selecting rattan-based small- and medium-scale industries based throughout the areas of the research population in the city/regencies all over Central Sulawesi Province, with total employees amounting to at least 50 employees.

Data were collected using the following three procedures:

- Conducting observation: this was a process of gathering information for research purposes carried out by conducting direct observation at the research sites, which included: behavior of the employees, supervisors, and managers (owners) in the operations of small- and medium-scale industries (*industry kecil dan menengah* or IKM) in Central Sulawesi.
- Distributing questionnaires: this was a process of gathering information for research purposes carried out by asking a list of questions to the respondents or the employees, which served as the unit of analysis in this research.
- Conducting interviews: this was a process of gathering information for research purposes carried out by having a question and answer session directly with the employees, managers, supervisors, and owners of respective rattan-based small- and medium-scale industries in the City of Palu and regencies in Central Sulawesi.

Table-1: Research Population and Sample

No.	City/Regency	Industry Name	Employee Population	Proportion	Sample
1	Palu	UD Palu Nisa	10	6.90	6
2	Palu	Meubel Subur I	9	6.21	6
3	Palu	Meubel Subur II	8	5.52	5
4	Palu	Meubel Tora-Tora	9	6.21	6
5	Palu	Meubel Rotan Kaili Jaya	5	3.45	3
6	Palu	Sumber Rotan Tahiti	7	4.83	4
7	Palu	Eka Bintang	7	4.83	4
8	Palu	Meubel Mega Resky	3	2.07	2
9	Palu	Madamba Rotan	10	6.90	6
10	Palu	Meubel Rotan Novita	3	2.07	2
11	Palu	Laura Indah	4	2.76	2
12	Palu	Dimas Rotan	3	2.07	2
13	Palu	Vatutela	3	2.07	2
14.	Palu	Ud Fajar Baru	6	3.86	3
15	Palu	Bumi Indah Rota N	7	4.83	4
16	Palu	CV. Budi Mulia	6	3.86	3
17	Palu	CV. Budi Mulia	6	3.86	3
18	Palu	PT. Pantai Timur Jaya	5	3.45	3
19	Palu	CV. Budi Abadi	6	3.86	3
20	Palu	CV. Marga Lewa I	5	3.45	3
21	Palu	CV.Margalwa Ii	5	3.45	3
22	Palu	PT .Kencana Sakti Rotan	5	3.45	3
23	Palu	Kopinkra Rotan Palu	5	3.45	3
24	Palu	CV. Bone Layana Indah	8	5.52	5
25	Palu	Istana Seni Rupa	5	3.45	3
26	Palu	Bamba Rattan	4	2.76	2
27	Palu	Kaili Jaya	3	2.07	2
28	Palu	Irma Jaya Rotan	4	2.76	2
29	Palu	Sumber Rotan Tahiti	4	2.76	2
30	Palu	Bunga Talise	3	2.07	2
31	Palu	Kriya Rotan	3	2.07	2
32	Palu	Prima Rotan	4	2.76	2
33	Palu	Meubel Rotan Fatikah	3	2.07	2
34	Donggala	Meubel Hafid	2	0.98	1
35	Donggala	Meubel Haris	3	1.54	2
36	Donggala	Meubel Hamda	6	4.95	5
37	Donggala	Meubel Hadi	4	1.53	2
38	Donggala	Meubel Karang Indah	10	4.09	5
39	Donggala	Meubel Ikbal	4	2.53	3
40	Donggala	Meubel Haris	4	2.53	3
41	Donggala	Meubel Miski	3	1.54	2
42	Donggala	Banawa Jaya	9	4.76	5
43	Donggala	Meubel Tauhib	4	2.53	3
44	Donggala	Meubel Jaya	5	2.45	2
45	Donggala	Meubel Indah	3	1.53	2
47	Donggala	Meubel Miski	5	2.45	3
48	Donggala	Aneka Industri	5	2.45	3
49	Donggala	Meubel Gede Pasrah	4	1.53	2
Total			245		152

Variable of Employee Performance

Table-2: Table of the Employee Performance Dimension of Rattan Industries in Central Sulawesi

Employee Performance Dimension	Item	Item to Assess
Working Quality	1	Product quality
	2	Quality standard
	3	Employee's ability
	4	Recognized quality
	5	Sense of responsibility
	6	Working with vengeance
Working Quantity	1	Working without supervision
	2	High working standards
	3	Ability to meet standards
	4	Being consistent with working hours
	5	Working overtime
	6	Development
Cooperation	1	Harmonious cooperation
	2	The strength of cooperation
	3	Colleague's view
	4	Acceptance of suggestions from colleagues
	5	Evaluation for enhancement
	6	Good working system
	7	Working improvement
Sense of Responsibility	1	Good working quality
	2	Sense of responsibility
	3	Lack of the sense of responsibility
	4	Giving priority to industrial interests
	5	Understand the consequences of decisions and actions taken in accordance with their duties and responsibilities
	6	A choosing the right actions to support the process of carrying out their duties and responsibilities
	7	Complete the task according to the specified time

Data Analysis

Data were analysed using descriptively using the application SPSS to determine employee performance of the rattan industries based on 4 assessment criteria, which were working quality,

working quantity, cooperation, and sense of responsibility.

RESULTS

Respondent Characteristics

Table-3: Characteristics of Respondents in Rattan Industries in Central Sulawesi

Characteristics		n	%
Sex	Male	146	96
	Female	6	4
Age	20-30 Years	59	39
	30-40 Years	64	42
	≤ 40 Years	29	19
Education	Senior High School	147	96.71
	Diploma	1	0.66
	Stratum 1 (S1)	4	2.63
Length of Employment	1 to 5 Years	81	53
	5 to 10 Years	43	28
	> 10 Years	28	18
Working Training	Ever	35	23
	Never	117	77

Table-3 shows that the majority of the research respondents were male (96.9%) aged 30-40 years

(42.0%). In terms of education, most respondents were senior high school graduates (96.71%) and had worked

for 1-5 years (53.0%). They generally had never formally attended any job training (77.0%).

Employee Performance

Table-4 shows that respondents' responses on the variable *employee performance* and the dimension

of working quality as indicated by a mean of 3.89 that fell into a high category indicated good product quality, timely completion of rattan craft orders, and recognition from consumers of the product quality, all of which reflected employee performance.

Table-4: Dimensions of Work Quality on Employee Performance

Item	Choice Statement										Mean	Category
	Strongly Disagree		Disagree		Neutral		Aggre		Strongly agree			
	n	%	n	%	n	%	N	%	n	%		
1	0	0	4	2,6	32	21,05	107	70,39	9	5,92	3,80	High
2	0	0	0	0	23	15,13	118	71,05	11	7,23	3,92	High
3	0	0	0	0	21	13,81	118	77,63	13	8,55	3,95	High
4	0	0	1	0,6	26	17,10	115	75,65	10	6,57	3,88	High
5	0	0	0	0	21	13,81	114	75	17	11,18	3,97	High
6	0	0	2	1,3	34	22,36	104	68,42	12	7,89	3,83	High
Mean	0	0	1,1	7,5	26,16	17,21	112,6	73,02	12	7,89	3,89	High

The resulting frequency distribution of respondents' responses, supported by observations through interviews, suggested that to maintain product quality, employees' abilities, including insights into innovations and employee skills, are the key to improving and maintaining product quality.

Table-5 shows that respondents' responses on the variable *employee performance* and the dimension of working quantity as indicated by a mean of 3.36 that fell into a moderate category indicated that in order to achieve working quantity, it is necessary to determine in advance working targets and willingness to work overtime, and provide rewards and recognition for the working quantity that has been successfully met.

Table-5: Dimensions of Work Quantity on Employee Performance

Item	Choice Statement										Mean	Category
	Strongly Disagree		Disagree		Neutral		Aggre		Strongly agree			
	n	%	n	%	n	%	N	%	n	%		
1	3	1,97	38	25	50	32,89	54	35,52	7	4,60	3,16	Moderate
2	0	0	0	0	13	8,55	124	81,57	15	9,86	4,01	High
3	0	0	1	0,6	20	13,15	118	77,63	13	8,55	3,94	High
4	0	0	1	0,6	21	13,81	122	80,26	8	5,26	3,90	High
5	0	0	15	9,86	60	39,47	72	47,36	5	3,28	3,44	High
6	0	0	2	1,3	45	29,60	98	64,47	7	4,60	3,72	High
Mean	0,5	0,3	9,5	6,22	34,83	22,91	98	64,46	9,16	6,02	3,36	Moderate

The resulting frequency distribution of respondents' responses, supported by observations through interviews, suggested that to meet the

predetermined working quantity, employees need to work overtime. Such a condition happend when orders for rattan-based commodities increase.

Table-6: Dimensions of Cooperation on Employee Performance

Item	Choice Statement										Mean	Category
	Strongly Disagree		Disagree		Neutral		Aggre		Strongly agree			
	n	%	n	%	n	%	N	%	n	%		
1	0	0	0	0	15	9,86	125	82,23	12	7,89	3,98	High
2	0	0	0	0	17	11,18	123	82,23	12	7,89	3,97	High
3	0	0	0	0	5	3,28	125	82,23	22	14,47	4,11	High
4	0	0	0	0	8	5,26	124	81,57	20	13,15	4,08	High
5	0	0	0	0	7	4,60	130	85,52	15	9,86	4,05	High
6	0	0	12	7,89	45	29,60	89	58,55	6	3,94	3,59	High
7	0	0	3	1,97	45	29,60	98	64,47	6	3,94	3,70	High
Mean	0	0	2,14	1,40	20,28	13,34	116,28	76,68	13,28	8,73	3,36	Moderate

Table-6 shows that respondents' responses on the variable *employee performance* and the dimension

of cooperation as indicated by a mean of 3.36 that fell into a moderate category indicated that cooperation and

sharing of information and knowledge related to rattan crafts contribute to improved employee performance.

The resulting frequency distribution of respondents' responses, supported by observations through interviews, suggested that cooperation is vital for employees and constitutes a way to enhance work

motivation among employees. Based on observations, it aims to provide information and suggestions to fellow workers in an attempt to improve both quality and quantity of rattan-based commodities of small- and medium-scale industries based in Central Sulawesi Province.

Table-7: Dimensions of Responsibility for Employee Performance

Item	Choice Statement										Mean	Category
	Strongly Disagree		Disagree		Neutral		Aggre		Strongly agree			
	n	%	n	%	n	%	N	%	n	%		
1	0	0	0	0	2	1,31	137	90,13	13	8,55	4,07	High
2	0	0	0	0	7	4,6	127	83,55	18	11,84	4,07	High
3	0	0	1	0,6	18	11,84	109	71,71	24	15,78	4,03	High
4	0	0	0	0	9	5,92	122	80,26	21	13,81	4,08	High
5	0	0	2	1,3	28	18,42	105	69,07	17	11,18	3,9	High
6	3	1,97	32	21,05	60	39,47	53	34,86	4	2,63	3,15	Moderate
Mean	0,5	0,32	5,8	3,82	20,66	13,59	108,83	56,57	16,16	10,63	3,88	High

Table-7 shows that respondents' responses on the variable *employee performance* and the dimension of sense of responsibility as indicated by a mean of 3.88 that fell into a high category indicated that the sense of responsibility of the employees for their respective duties, which include job description, workload distribution, and performance evaluation, influence performance of the employees of rattan-based small- and medium-scale industries based in Central Sulawesi Province.

The resulting frequency distribution of respondents' responses, supported by field observations through interviews, suggested that sense of responsibility is absolutely necessary for employees in carrying out their duties assigned by the management with a view to expanding small- and medium-scale industries based in Central Sulawesi Province.

DISCUSSION

The research findings suggest that employee performance generating a mean of 3.72 fell into a high category. It means that employee performance of the rattan industries based in Central Sulawesi was considered high in running a rattan business. An employee's performance is individual in nature because each employee has a different level of abilities to do his/her jobs. The finding of this research indicated that most employees were senior high school graduates (96.71%), had worked for 1-5 years (53.0%), and had never attended any work training (77.0%).

Despite employee characteristics such as education background, length of employment, and lack of work training, those employees managed to demonstrate high performance. Moreover, based on the dimension of working quality, the employees demonstrated high working quality. This means that they, in completing their tasks, showed good product

quality, timely completion of rattan craft orders, and recognition from consumers of the product quality. As for the dimension of working quantity, the employees demonstrated moderate working quantity. This means that employees in completing their tasks had already set work targets, willingness to work overtime, and rewards and recognition for the working quantity that has been successfully met

The effect of working quality and quantity of either individual employees and employees as a team on the quality of organizational performance can be described as follows: 1) the factor of individual performance quality was influenced by knowledge, abilities, motivation, and role; 2) the factor of team or group performance quality was influenced by the team closeness, leadership, solidarity, and roles, as well as norms; 3) the factor of organizational performance quality was influenced by the environment, leadership, organizational structure, strategies chosen, technology, organizational cultures, and organizational processes.

Research conducted by Mohammad Baitul Islam shows that an appropriate organization culture, compensation policy, career growth, and relative facilities can lead to a satisfied employee mindset which ensures the overall organization productivity [6].

Furthermore, the dimension of cooperation among employees of the respective rattan industry based in Central Sulawesi also fell into a high category. This means that cooperation and sharing of information and knowledge related to rattan crafts among employees contribute to improved employee performance. Other research shows that managers should endeavor to ensure that each team in the organization compose of the necessary skills that will enable the teams to perform effectively without having too much of any of the skills in the team to the disadvantage of other necessary skills [7]. Other

research also suggests the importance of cooperation within a team, where the use of teamwork brings about greater flexibility and increased workflow and there is a significant relationship between teamwork and increased employee motivation/commitment and productivity [8].

This research findings shows that the employees' sense of responsibility fell into a high category. It means that the sense of responsibility of the employees for their respective duties, which include job description, workload distribution, and performance evaluation, influence performance of the employees of rattan-based small- and medium-scale industries based in Central Sulawesi Province.

The responsibility to improve performance at work includes: working diligently and demonstrating high dedication, providing optimal service to consumers/clients, being responsible, coordinating organizational resources, working efficiently and effectively according to analysis undertaken by the organization, providing solutions to the management of the organization to fulfill the responsibility of strengthening and empowering the organization [9]. It is a company manager's duty to promote sense of responsibility towards the company among his/her employees as a place where they earn livelihood [10].

CONCLUSION

Based on the research findings, it can be concluded that the performance of employees of the rattan industries in Central Sulawesi was high, so were the four performance dimensions, i.e. working quality, working quantity, cooperation, and sense of responsibility in running rattan business in Central Sulawesi.

Conflict of interest

There was no conflict of interest in the preparation and completion process of this research.

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