

Employee Performance: Interaction Between Total Quality Management and Self Esteem Study in Soe Manufacturing Company

Veronica Christina*, Ait Novatiani, Tetty Lasniroha Sarumpaet, Bachtiar Asikin, Robertus Ary Novianto

Faculty of Economics and Business, Universitas Widyatama, Bandung, Indonesia

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*Corresponding author: veronica.christina@widyatama.ac.id

Abstract: Good employee performance is very important for the company because it shows that the company's goals are achieved. This research was conducted to find solutions to the problems faced by one of the state-owned manufacturing companies. The condition factor, namely total quality management, which interacts with individual characteristics, namely self-esteem, is the solution variable in this study. Company employees are a population element, the sample is determined using probability sampling technique with a total sample of 87 employees. Moderated regression analysis is used to process data obtained with SPSS software. The results of the study found that self-esteem can be a quasi moderator of the effect of TQM on employee performance. The research findings are expected to be useful for improving employee performance and can be used by other parties who are interested in researching the fields of management accounting and behavioral accounting.

Keywords: Employee performance; total quality management; and self esteem.

1. Introduction

One of the conditions for a company that wants to excel in world-class competition is to have quality products and services. Producing products or services according to specifications in a cost-effective manner is a way to excel in competition (Hansen et al., 2009). Management can use a total quality management approach to achieve these conditions. Total quality management (TQM) is a philosophy that can be applied by companies to carry out continuous improvement with the aim of producing zero failures through the involvement of employees who are responsible for the quality of their respective work. This is in accordance with the 14 management philosophies summarized by Deming (1986) in Waldman, (1994) which include the commitment of managers and leaders, process control using statistics, efforts are made so that employees can participate and control their respective qualities and make continuous improvements. so that the company can stay ahead of the competition. TQM has changed management's perceptions regarding market globalization, economic growth, rapid economic change, awareness of customer orientation changes. O'Neill et al., (2016) found that quality awareness increased because the quality of Japanese products increased due to the implementation of TQM. Companies have focused on TQM since the mid-1980s, a lot of research has been done on the relationship between total quality management and

performance, both organizational performance and manager or employee performance. Studies that found TQM positively affects performance example Brownell (1980); Sadikoglu & Olcay (2014); Ghani Al-Saffar & Obeidat (2020); Lehyani et al. (2023). Research by Kober et al. (2012) found no effect. Some researchers say the importance of the human factor in the successful implementation of TQM such as Fok et al., (2000). This study uses the human factor, namely individual characteristics in terms of personality to strengthen the influence of TQM on employee performance. Employee personality can be seen from their self-esteem.

2. Literature Review

2.1. Total Quality Management

Organizations are forced to improve the business environment including product quality and service criteria to attract the attention of customers and compete in the market due to the intensification of global competition. Every business organization in order to enter a competitive environment, must invest significant resources to implement TQM programs and strategies (Kumar et al., 2020) so as to have a long-term competitive advantage. TQM is known as a management philosophy that aims to continuously improve the quality of products and processes so that customer satisfaction can be achieved. This shows that everyone involved in the company is responsible for the quality of their work. Organizational performance can be improved by implementing total quality management, which is a management system that focuses on customers by involving all levels of employees in making continuous improvements (Qasrawi et al., 2017). Sadikoglu & Olcay, (2014), also stated that TQM is a management philosophy that is used to continuously improve the quality of both products, services and processes, which aims at customer needs and expectations so that customer satisfaction increases, thus organizational performance will be better.

There have been many studies linking TQM with performance, both individual performance, namely employees or management and organizational performance, among others, carried out by Ghani Al-Saffar & Obeidat (2020); Goodman & Leyden (1991); Qasrawi et al. (2017), they found that TQM affects performance, thus a hypothesis can be formulated:

H1: Total Quality Management affects employee performance.

2.2. Self Esteem

Self-esteem is a person's personality, has been conceptualized in many ways, so it is difficult to make a generally accepted definition. A simple definition is found in Webster's dictionary, which says that "self-esteem is self-satisfaction". The self part of self-esteem has to do with the values, beliefs, and attitudes we hold about ourselves. In simple terms self-worth is our acceptance of who and what we are at any given time in our lives (Oliver & S., 1999).

Abdel-Kader & Luther, (2008) one expert said that self-esteem is an indicator of self-acceptance, self-esteem, and self-satisfaction, but does not include feelings of superiority and perfection. In line with this statement, Kurtović et al., (2018) argued that self-esteem is a person's feelings about liking himself, assessing himself about his abilities and shortcomings and his feelings about his importance to others. Someone who considers himself valuable shows the degree of self-esteem (Robins & Judge, 2018). Lidia, (2014) said that a person attaches an identity to himself including successful or unsuccessful people depending on their perception of him. Self-esteem can be said as a sense of self-worth. According to Reasoner (2010) in (Lehyani et al., 2023) people who have poor/low self-esteem often feel negative things, for example experiencing hopelessness and sadness, have high levels of anxiety, show a tendency to become angry and hold grudges, and are always dissatisfied with life. everyday.

A person's opinion of himself, which is manifested in a positive attitude and negative, known as self-esteem.

Educational institutions seek to increase individual self-esteem because it is suspected that good and beneficial results will be produced by someone who has a high degree of self-esteem. Previous research has also found that self-esteem affects performance such as Catchpole et al. (2007); Korn (2022); Yu et al. (2022). This finding is in line with the statement of Orth & Robins (2022) which states that a person's behaviour that leads to success is caused by his high self-esteem. Hypothesis H2 can be formulated based on the description above:

H2: Self-esteem affects employee performance.

2.3. Employee Performance

Companies can still be successful in their business if they are able to maintain and develop the best performance from their employees. Employees are the force that drives the company to continue to grow, therefore employees should receive great attention from the company. Companies not only recruit, retain and develop the best talent of employees, but by helping staff to grow in their roles and responsibilities, companies can regenerate future leaders. Junaidi et al. (2022) argue that environmental factors, both external and internal to employees, are interrelated, for example management style, internal control, culture, philosophy, and organizational dynamics related to employee characteristics such as personality, perception, attitude and ability to adapt. This is in accordance with the theory put forward by Nelson and Quick (2012) in Christina et al. (2020) that organizational condition factors that interact with individual characteristics will affect behavior and will ultimately affect individual performance. This study uses TQM as a condition factor that occurs in the company, interacting with employee personality, namely self-esteem will improve employee performance.

Junaidi et al., (2022) stated that employees will try to develop behaviours that lead to better performance, when the conditions of the work environment are dynamic and ask them to always improve their performance. The application of TQM within a company that emphasizes continuous improvement will create a dynamic work environment that leads to better performance. Panayotopoulou et al. (2003) in Junaidi et al., (2022), stated that the ability of employees to adapt is partly due to the environment which is always changing for the better. The organization is a coordinated system, in this organization the characteristics of people and organizational environmental conditions are interconnected and if this works effectively it will form good individual performance (Kozlowski and Klein, 2000.) in (Junaidi et al., 2022). This study uses personality as seen from employee self-esteem which interacts with organizational characteristics in the form of TQM so that employee performance gets better. The third hypothesis can be formulated as follows.

H3: employee performance is influenced by the interaction between TQM and self-esteem.

3. Research Methods

This study aims to conduct an explanatory study, with the unit of research analysis being individuals, namely employees of one of the state-owned manufacturing companies. The study population consisted of 381 people. The purposive sampling method was used to determine the number of sample subjects. Purposive sampling is a sample taken according to a specific purpose or objective. In other words, the samples taken have information or characteristics according to the needs of researchers. The criteria for determining the sample

in this study were employees who returned the questionnaire. The samples obtained were 95 people.

The TQM variable was measured using a questionnaire developed by (Banker et al., 1993) consisting of four statements. Self-esteem was measured using a questionnaire developed by Rosenberg (1965) in Orth & Robins (2022) consisting of 10 statements. Employee performance is measured using a questionnaire developed by Tsui et al. (1997); Banker et al. (1993), consisting of eleven statements

4. Results and Discussion

Questionnaires distributed to employees of state-owned manufacturing companies engaged in the manufacture of concrete, totalled 120 sheets and 95 sheets returned, 80% of the sample employees were male. The education level of the sample subjects was 40% undergraduate, 28%, the rest were high school, diploma, master and doctoral. Questionnaires for each variable have been tested for validity and reliability, each questionnaire is valid and reliable. The results of the respondents' answers can be said that TQM has been implemented quite well, the self-esteem of employees is in a high position and the performance of employees shows good. The test results found that the established regression model complies with the requirements (normal, homoscedasticity and not multicollinearity).

Regression moderation analysis shows the following results.

Table 1. The Influence of TQM interaction with self-esteem on Employee performance

		Coefficients ^a			t	Sig.
Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta		
1	(Constant)	23,946	1,115		21,486	,000
	TQM	1,120	,082	,816	13,594	,000
2	(Constant)	11,709	1,012		6,410	,001
	TQM	,379	,039	,221	2,118	,001
	Self Esteem	,281	,061	,263	3,315	,000
3	(Constant)	15,455	2,154		7,175	,000
	TQM	,382	,169	,278	2,261	,026
	Self Esteem	,287	,065	,272	4,414	,000
	Moderation /interaction TQM * Self Esteem	,013	,004	,429	3,493	,001

Table 2. Coefficient of Determination

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,872 ^a	,761	,763	2,127757

a. Predictors: (Constant), TOTAL_X

Row one of table one shows that the variation in the value of the TQM variable can explain the variation in the value of employee performance by 81.6%, which means that the first hypothesis can be accepted. This research is in accordance with the previous discussion which states that total quality management really helps companies in achieving excellent processes

and services or employee performance (Sadikoglu & Olcay, 2014). Total quality management, is a way of life that focuses on customers by involving all levels of employees in making continuous improvements (Ghani Al-Saffar & Obeidat, 2020; Lehyani et al., 2023), with the implementation of TQM which is the breath of life in a company of course will improve employee performance.

The second row of Table 1 shows that the variation in the value of TQM along with the variation in the value of self-esteem can explain the variation in employee performance values, thus the second hypothesis can be accepted. This finding is in line with the statement of (Orth & Robins, 2022) that high self-esteem usually encourages behaviour that leads to success, high self-esteem will produce positive results and some benefits (Baumeister et al., 2003), so employees who have high self-esteem will tend to have high performance as well.

Row three Table 1 shows that the self-esteem variable can strengthen the relationship between TQM and employee performance, thus the third hypothesis can be accepted. It can be seen from the probability value of less than 0.05, which is statistically significant, which means that employees who have high self-esteem will strengthen the influence of TQM on their performance. This is according to what was said by Kozlowski and Klein, (2000.) in (Junaidi et al., 2022) that within the organization the interactions that occur effectively between individual characteristics and/or groups of employees with organizational conditions shape individual (employee) performance.. Other studies that use personality as a moderating variable also find that personality is able to moderate the relationship between internal control and ethical behaviour (Christina et al., 2020). As already explained, a person with high confidence in his abilities will easily adapt to changes in the environment. Although it should be noted that someone who has high self-esteem may have a dark side. (Chernyshenko et al., 2003; Ent & Baumeister, 2015) suggest that people with high self-esteem tend to be arrogant, arrogant, or sometimes narcissistic. They expect others to give a positive evaluation of themselves; if they get negative feedback, their ego will feel threatened, thus motivating them to spend personal resources to overcome the negative evaluation. Therefore, it is necessary to think about getting employees with healthy self-esteem, besides being able to measure one's own abilities as a person value is also able to empathize.

5. Conclusion

Total quality management affects employee performance, as well as total quality management along with self-esteem affects employee performance and self-esteem can be a moderator of the relationship between total quality management and employee performance. Self-esteem as a moderating variable also functions as an independent variable, so it is called a quasi-moderator.

Companies should pay more attention to the implementation of TQM because the descriptive results of respondents' answers regarding TQM show that the criteria are only good enough. TQM is a quality-oriented way of life along the company's value chain, eliminating non-value-added activities to meet customer expectations. Top level management in the company should have a commitment to prioritize quality; define quality broadly in order to meet customer expectations in a cost-effective manner; Institutions in practicing leadership should be oriented towards the values and vision of TQM; a quality culture must be developed within the organization, involving and empowering all elements of the organization in a cooperative effort to improve quality; companies must have a management orientation based on facts, including using scientific techniques in problem solving, for example by using statistics in process control; improving employee capabilities and quality of work by organizing ongoing training, and benchmarking must also be an ongoing

commitment;; companies must exploit external linkage with suppliers and customers so that they want to be involved in implementing TQM (Waldman, 1994). Management must internalize that quality is the responsibility of everyone involved in the company.

Self Esteem of employees in the company shows a high category, meaning employees can assess their abilities and they feel valuable. Companies need to remember that self-esteem can go awry, therefore it is necessary to create a friendly work environment so that it can reduce self-esteem with empathy. This helps the employee to become someone who is competent and confident, someone who is willing to take responsibility, but at the same time wants to care about others.

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