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## THE EFFECT OF LOCUS OF CONTROL AND COMMUNICATION TOWARD EMPLOYEE PERFORMANCE

Ahmad Soleh<sup>1</sup>, Rinto Noviantoro <sup>2</sup>, Deky Putrafinaldo<sup>3</sup>

Universitas Dehasen Bengkulu<sup>123</sup>

email: Ahmadsolehse81@yahoo.co.id<sup>1</sup>, rintonoviantoro@yahoo.co.id<sup>2</sup>, Dekypitoy22@gmail.com<sup>3</sup>

## ABSTRAK

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Keywords:

Locus of Control, Communication, Employee Performance Tujuan dari penelitian ini adalah untuk mengetahui pengaruh locus of control dan komunikasi terhadap kinerja karyawan di kantor perwakilan Bank Indonesia Provinsi Bengkulu. Teknik pengambilan sampel adalah sensus dari 48 karyawan tetap. Pengumpulan data menggunakan kuesioner dan metode analisis yang digunakan adalah regresi linier berganda, uji determinasi dan pengujian hipotesis. Hasil penelitian menunjukkan bahwa locus of control dan komunikasi berpengaruh positif dan signifikan secara parsial dan simultan terhadap kinerja karyawan di kantor perwakilan Bank Indonesia Provinsi Bengkulu.

## **ABSTRACT**

The purpose of this study was to determine the effect of locus of control and communication toward employee performance in Bank Indonesia representative office of Bengkulu Province. The sampling technique is a census of 48 permanent employees. Data collection using questionnaires and analytical methods used are multiple linear regression, test of determination and hypothesis testing. The results showed that locus of control and communication had a positive and significant effect partially and simultaneously toward employee performance in Bank Indonesia representative office of Bengkulu Province.

#### INTRODUCTION

Human Resources (HR) is an important resource. For this reason, human resources can be used optimally in an organization, it is necessary to be managed in such a way by management to increase organizational effectiveness. Whether or not an organization is effective shows the success or failure of the human resource management process as well as measuring the effectiveness of the leadership in managing its human resources.

Performance is a benchmark for employees in carrying out tasks targeted for completion. Efforts to make performance appraisals become important by knowing appropriate performance measurements. Performance is measured based on quality, quantity, timeliness, effectiveness, independence and commitment. Because the organization is an institution that is driven by humans, the suitability of employee behavior with work standards will produce the expected performance.

Locus of control is one of the determinants of individual performance in addition to other personal ability variables. Organizations must have organizational commitment basically related to the closeness of employees to the organization. With the needs of employees who can be met through the work done will lead to a commitment on the part of employees who will have a major influence on the survival of the organization. Organizations need employees who are willing to work hard for the sake of the organization and are willing to be fully involved in efforts to achieve the goals and survival of the organization.

A good locus of control will have a positive impact on employees in improving the performance of an employee. This is one way that employees do not experience disturbances in completing their work, because each individual feels able to control himself then they will be better able to control the effects and what happens in the environment so that they will be more satisfied with the achievements that have been made, because it is locus of control greatly affects employee performance. Locus of control determines the degree to which individuals believe that their behavior influences what happens to them. Some people feel confident that they are in full control of themselves, that they are determinants of their own destiny and have personal responsibility for what happens to them. When they perform well they believe that this is due to the efforts of each individual.

The process is seen through service in carrying out a job. In this process work procedures are needed and the results to be achieved. In another understanding, performance is the whole elements and processes that are integrated in an organization within each individual, the overall work behavior or patterns, work processes and work results or the achievement of certain objectives. Besides that, performance is a combination of behavior

with achievement of what is expected and the choice or part of the terms of the tasks that exist in each individual set by a company. Good performance and as expected are things expected of all programs or policies made by an organization for the smooth running of organizational activities, therefore the factors that affect the performance of management need to get more attention, because it will affect the behavior of individual members of the organization.

In addition, communication is also able to influence employee performance at work. Communication is the process of delivering statements in the form of ideas, facts, thoughts, feelings, and value of someone to others. Communication involves individuals in a group, organizational, and community relationship that responds and creates messages to adapt to each other's environment. Good communication competencies between employees will be able to obtain and develop the tasks they carry, so that the performance level of an agency is getting better and vice versa. Communication within an organization is a very important factor in undergoing interaction between one another, if there is no communication all individuals in the organization cannot know what they have to do for the organization, leaders cannot receive input information and providers cannot give instruction.

According to Effendy (2015) communication is the process of transferring information, ideas, and understanding from one person to another that can be interpreted according to the intended purpose. Communication is expected to be obtained at the point of equality, mutual understanding. Communication contains a broader meaning than just saying or writing something, it also includes an understanding. A leader not only solves problems of problems alone, but guides those he leads to solve problems together for that it is necessary to have good communication between superiors and subordinates.

Bank Indonesia Representative Office Bengkulu Province is a high state institution that regulates state finances. In carrying out the duties and responsibilities of its employees, it is demanded that employees have high performance so that employees are able to carry out their duties and responsibilities in accordance with the established duties and responsibilities. The phenomenon that exists in carrying out their duties and responsibilities needs to have a locus of control because in dealing with problems an employee must be able to control himself for the creation of performance, employees are able to control or control themselves well then all work can be completed on time, performance will automatically increase. Lack of communication between employees is still frequently encountered, this is because employees are busy with tasks and work that are assigned to them making it difficult to communicate between employees. Based on this description, research at the Bank Indonesia

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Representative Office in Bengkulu Province that analyzes the Effect of Locus of Control and Communication on Employee Performance is important to do.

## **KAJIAN LITERATUR**

## **Human Resource Management**

Sulistiyani and Rosidah (2014) suggest that human resource management is the development and utilization of employees in order to achieve the goals and objectives of individuals, organizations, communities, nations and internationally effectively. Meanwhile, according to Sutrisno (2015), human resource management is an acknowledgment of the importance of the organization's workforce as a very important human resource in contributing to organizational goals, and using several functions and activities to ensure that human resources are used effectively and fair for the interests of individuals, organizations and society.

Hasibuan (2014) explains that human resource management is an approach to human management. The approach to human management is based on human value in its influence with the organization. Humans are an important resource in the organization in addition to the effectiveness of the organization is determined by human management. The human resource management function consists of (a) Planning; (b) organizing; (c) direction; (d) control; (e) procurement; (f) development; (g) compensation; (i) maintenance; (j) discipline; and (k) dismissal.

## The Peformance

According to Mangkunegara (2014), performance is the result of quality and quantity of work achieved by someone in carrying out their functions in accordance with the responsibilities given to them. Not much different, Siagian (2013) defines performance as an overall ability of a person to work in such a way as to achieve work goals optimally and the various targets that have been created at a sacrifice ratio that is smaller than the results achieved.

Prawirosentono (2016) is more likely to use the word performance in referring to the word performance. According to him performance is the result that can be achieved by a person or group of people in an organization, in accordance with their respective responsibilities in order to achieve the goals of the organization concerned legally, does not violate the law and in accordance with morals and ethics. According to Sutrisno (2015) several factors that affect performance are: (a) Planning skills; (b) Organizational skills; (c) Directing skills; (d) Control skills; and (e) analyze the problem.

## **Peformance Indicator**

Mangkunegara (2014) explained that employee performance indicators are influenced by several factors, namely: (a) Quality of Work; (b) Quantity of Work; (c) Job Knowledge; (d) Teamwork; (e) Creativity; (f) Innovation; and (f) initiatives. Other opinions expressed by Mahmudi (2015), namely: (a) Personal factors (Individual); (b) Leadership factors; (c) Team factors; (d) System factors. Meanwhile according to Harbani (2013), the factors that influence employee performance are as follows: (a) Ability; (b) Willingness; (c) Energy; (d) Technology; (e) Compensation.

## **Locus of Control**

The locus of control was first put forward by Rotter (1966), a social learning theorist. Locus of control is one of the personality variables (personility), which is defined as an individual's belief in being able to control one's destiny (Rotter, 1966). Robbins and Judge (2014) define Locus of control as the degree to which individuals believe that they are determinants of their own destiny. Locus of control is influenced by internal and external factors. Internal is the attitude of the individual who has a belief that he is the holder of whatever happens to himself, while the external is someone who has the belief that what happens to them is controlled by external forces such as luck and opportunity.

From the above understanding, it can be explained that someone who has a belief that the fate that exists in his life is determined by his own abilities, then someone is said to have an internal locus of control. Whereas someone who has the belief that his fate is determined by his environment, then someone is said to have an external locus of control. Kreitner & Kinichi (2014), said that the results achieved by the internal locus of control were ascribed to his activities. Whereas the individual external locus of control considers that the success achieved is controlled from the surrounding circumstances. Individuals who have an internal locus of control will argue that they will depend only on themselves while individuals who have an external locus of control will feel that they are more hopeful and dependent on others than themselves and will choose a situation that will benefit them. Locus of control is the degree to which individuals believe that they are determinants of their own destiny. Internals are individuals who believe that they are in control of whatever is happening to them, while externals are individuals who believe that whatever happens to them is controlled by outside forces such as luck and opportunity.

### **Locus of Control Indicator**

According to Robbins and Judge (2014) the dimensions of the locus of control consist of:

## 1) Internal locus of control

Individuals with internal locus of control have the belief that they are able to control their own lives. Individuals act based on their own personal decisions, abilities and efforts by: (a) Like to work hard; (b) Has high initiative; (c) Always trying to find a solution to the problem; (d) Always try to think as effectively as possible; (e) Always have the perception that effort must be made if it wants to succeed

#### 2) External locus of control

Individuals with external locus of control believe that their lives are influenced by other factors outside themselves. Individuals believe that their actions are controlled by fate, luck, other people or other forces outside of themselves. With characteristics: (a) Lack of initiative; (b) Lack of effort, because they believe that external factors control; (c) Lack of information to solve problems.

In different languages, Rotter (1966) characterizes the two types of Locus of control as follows:

- Internal locus of control: (a) Everything achieved by the results of own business; (b)
  Become a leader because of the results of their own efforts; (c) Individual success because
  of hard work not because of luck; (d) The ability of individuals to determine events in life;
  (e) The life of an individual is determined by his own actions; (f) Failure due to one's own
  actions
- 2) External locus of control: (a) Failures experienced by individuals due to dishonesty; (b) Future futile work planning; (c) Events experienced in life are determined by people who work; (d) The success of an individual due to factors of fate.

Studies show that there is a direct relationship between locus of control and employee performance (Mulyani, et al. 2019). Furthermore there are studies that show that the strength of the correlation between Locus of control and employee performance is at a moderate level. Employee who possess internal locus of control, belief that organizational commitment is necessary for employee performance whereas, employees who possess external locus of control belief that organizational commitment does not play major role in employee performance. (Khushk, 2019).

# H1: Locus of control has a positive and significant effect on employee performance Communication

According to Robbins (2015) said that communication is the process of delivering information, ideas, facts, thoughts and feelings from one person to another. In organizational life, communication becomes very important because communication can increase mutual

understanding between superiors and subordinates in this case employees and leaders, and increase coordination of various different activities / tasks.

Understanding of communication according to Muhammad (2016) is the exchange of verbal and nonverbal messages between the sender and the recipient of the message to change behavior. Verbal messages can be in writing such as letters, books, memos, while verbal messages can be in the form of face-to-face conversations. Nonverbal messages can be in the form of facial and voice expressions.

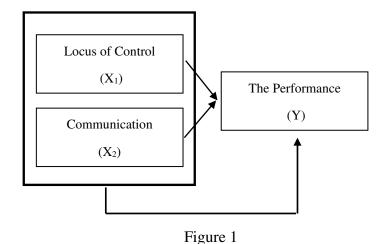
Furthermore, the understanding of communication according to Hasibuan (2014) communication is a tool to convey commands, reports, news, ideas, messages or information from the communicator to the communicant so that interaction occurs between them. He further stated that the existence of harmonious communication both vertically and horizontally between all employees will create good discipline for the organization. Good communication is one of the forming of employee work discipline in the organization. If the message received is not clear then the employee will do the job in a position of doubt or work not in the rules. According to Gibson, et.al., (in Effendy, 2015), that communication includes five elements, namely: (a) Communicator, source, sender; (b) Message; (c) Channel, media; (d) Communicant, ommunicate, receiver, recipient; and (e) Effect, impact, influence, feedback.

#### **Communication Indicator**

According to Widjaja (2015) several indicators of communication are: (1) Purpose of ommunication, to carry out and accept the effects of a change mechanism that enables an organization to achieve its objectives; (2) Communication Media, the media is a communication channel where messages pass from the communicator to the communicant; (3) Management of Communication, in communication management there are 2 (two) very important things, namely how to handle messages that are routine as well as how to deal with a communication crisis; (4) Delegation of authority, delegation of authority is the delegation of formal authority and responsibility to a subordinate to complete certain activities.

Studies show that downward communication (DC) and horizontal communication (HC) have a significant positive impact on employee performance (Hee, et. al. 2019). Furthermore, there are studies that also show that there is a relationship between effective communication and employee performance, productivity, and commitment. This study recommends that managers need to communicate with employees regularly to improve employee commitment and performance (Femi, 2014).

## H2: Communication has a positive and significant effect on employee performance



The Conceptual Framework

## RESEARCH METHOD

Quantitative methods are used in this study. Testing the research hypothesis using multiple linear regression methods. This multiple linear regression analysis is used to determine whether there is an influence of locus of control and communication on the performance of 48 permanent employees in Bank Indonesia representative office of Bengkulu Province. Equations for the Multiple Linear Regression model:

$$Y = a + b_1X_1 + b_2X_2$$

Note:

Y = Employe Performance

a = Constant value $X_1 = Locus of control$  $X_2 = Communication$ 

To find out how much influence the locus of control and communication together on employee performance, the Determination Test is used, namely by calculating the coefficient of determination (R2). To find out the significance of the effect of employee performance in Bank Indonesia representative offices of Bengkulu Province partially or simultaneously, hypothesis testing is performed using partial tests (t tests) and simultaneous tests (F tests or Anova).

#### RESULT AND ANALYSIS

#### Result

## Validity and Reliability Analysis

The instrument validity test was carried out before the questionnaire was used in collecting research data. Of the 30 research indicators used, all indicators have a level of validity in accordance with the criteria proposed in this study, ie all indicators have a value of R-count> R-table. Then all indicators used in this study are valid and can be used as research tools. Result and analysis presents result of data analysis, hypothesis testing, answer of research question, as well as finding and its interpretation.

Instrument reliability testing can be done externally or internally, externally testing can be done with test retest, equivalent and a combination of both. To test the reliability of the questionnaire used, a reliability analysis was performed based on the Cronbach Alpha coefficient. Cronbach's Alpha coefficient interprets the correlation between the scale created with all the existing indicator scales and the confidence level of the constraint. An acceptable indicator if the alpha coefficient is above 0.60. The reliability results of the variables studied can be seen in table 1.

Table 1
The Result of Reliability Analysis

Variable	Cronbach's alpa	Comment
Locus of control	0,711	Reliable
Communication	0,709	Reliable
Employe Performance	0,688	Reliable

## **Regression Analysis**

Based on the results of the distribution of questionnaires conducted on 48 permanent employees in the Bank Indonesia representative office of Bengkulu Province obtained the following results:

Table 2
The Result of Regresion Test

## Coefficients<sup>a</sup>

		Unstandardized		Standardize			
				d			
		Coeffici	Coefficients				
Model		В	Std. Error	Beta	t	Sig.	
1	(Constant)	6.593	4.439		1.485	.144	
	Locus of control	.413	.119	.404	3.481	.001	
	Communication	.449	.114	.458	3.946	.000	

a. Dependent Variable: Employe Performance

Based on Table 2, it can be seen that the regression equation formed is:

$$Y = 6.593 + 0.413X1 + 0.449X2.$$

The regression equation can be explained as follows (1) A constant value of 6.593 means that if the locus of control  $(X_1)$  and communication  $(X_2)$  variables are considered equal to zero then the Performance variable (Y) will remain at 6.593; (2) Effect of Locus of control  $(X_1)$  on Performance (Y) The coefficient of regression variable  $X_1$  (locus of control) is 0.413 with the assumption that if  $X_1$  (locus of control) has increased by one unit, then Y (Performance) will increase by 0.413 times; (3) Effect of Communication  $(X_2)$  on Performance (Y) The regression coefficient value of variable  $X_2$  (communication) is 0.449 assuming if  $X_2$  (communication) has increased by one unit, then Y (Performance) will increase by 0.449 times.

## **Test of Determination**

This determination coefficient is used to calculate the magnitude of the role or influence of locus of control and communication on employee performance. The coefficient of determination is determined by the value of R square. The SPSS output results for the coefficient of determination as shown in the table 3.

 $\begin{tabular}{ll} Table 3 \\ Coefficient of Determination ($R^2$) \\ Model Summary \\ \end{tabular}$ 

Model	R	R Square	3	Std. Error of the Estimate
1	.760ª	.577	.558	1.939

a. Predictors: (Constant), Communication, Locus of control

The coefficient of determination of R square is known that is equal to 0.577. This means that locus of control and communication has an influence on performance by 57.6% while the rest (100-57.7% = 42.3%) is influenced by other causative factors not examined in this study.

## **Hypothesis Test**

Partial hypothesis testing aims to determine the level of influence of variable X to variable Y separately or each variable X. The results of testing the t test hypothesis as shown in table 4.

Table 4
Hypothesis Result

Hypothesis	Standardized	Significant	Hypothesis	
Trypothesis	Coefficient	Level	Support	
H <sub>1</sub> : Locus of control has a positive and significant effect on employee performance	.404	.001	Supported	
H <sub>2</sub> : Communication has a positive and significant effect on employee performance	.458	.000	Supported	

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Based on the calculation results, it can be explained as follows:

## 1. Effect of Locus of control on Performance

Based on Table 4, it is known that the significance value of the locus of control variable is 0.001 smaller than 0.05, so it can be concluded that the locus of control has a significant effect on employee performance at the Bank Indonesia Representative Office in Bengkulu Province, thus the initial hypothesis proposed can be proven. It can be concluded that the more locus of control for employees at the Bank Indonesia Representative Office in Bengkulu Province, the higher the employee's performance, conversely the lower the locus of control, the employee's performance will also be lower.

Hasil penelitian ini sesuai dengan pendapat Robbins dan Judge (2014) mendefinisikan Locus of control sebagai tingkat dimana individu yakin bahwa mereka adalah penentu nasib mereka sendiri. Internal adalah sikap dari individu yang memiliki suatu keyakinan bahwa dirinya merupakan pemegang kendali atas apa-apa pun yang terjadi pada dirinya sendiri, sedangkan eksternal adalah seseoarang memiliki keyakinan bahwa yang terjadi pada diri mereka dikendalikan oleh kekuatan luar seperti keberuntungan dan kesempatan.

### 2. Effect of Communication on Performance

Based on Table 4, it is known that the significance value of the communication variable is 0,000 less than 0.05, so it can be concluded that communication has a significant effect on employee performance at the Bank Indonesia Representative Office in Bengkulu Province, thus the second hypothesis proposed can be proven. It can be concluded that the more improved communication to employees at the Bank Indonesia Representative Office in Bengkulu Province, the higher the employee's performance, conversely the lower the employee's communication, the lower the employee's performance.

The results of this study are in line with the opinion of Robbins (2015) saying that communication is the process of delivering information, ideas, facts, thoughts and feelings from one person to another. In organizational life, communication becomes very important because communication can increase mutual understanding between superiors and subordinates in this case employees and leaders, and improve coordination of a variety of different activities / tasks.

Table 5
The Result of Anova

ANOVA	a
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		Sum of				
Model		Squares	df	Mean Square	F	Sig.
1	Regression	230.800	2	115.400	30.707	.000 <sup>b</sup>
	Residual	169.116	45	3.758		
	Total	399.917	47			

a. Dependent Variable: Employee Performance

b. Predictors: (Constant), Communication, Locus of control

Simultaneous test is testing hypotheses to determine the effect of independent variables together. The output of hypothesis testing is shown in table 5. Tebel 5 shows that a significance value of 0,000 is less than 0.05 so that it can be conveyed that the locus of control and communication variables have a significant effect together on employee performance at the Bank Indonesia Representative Office in Bengkulu Province, thus the initial hypothesis proposed is proven.

## **CONCLUSION**

Locus of control and communication have a significant effect on employee performance at the Bank Indonesia Representative Office in Bengkulu Province both partially and simultaneously. This means that the increasingly locus of control for Bank Indonesia Bengkulu Province Representative Office employees will also improve performance. This illustrates that with the self-control of the employees the employee's performance will increase. This condition also shows that with good communication between employees and leaders and between employees and other employees, performance can be improved.

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