The Influence of Competence and Work Experience on Position Promotion through Job Performance at PT. Bank Sumut Head Office

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ABSTRACT

The purpose of this study was to determine and analyze the effect of competence and promotion on job promotion through promotion at PT. Bank Sumut Medan head office. The sample in this study uses the 10% slovin formula for as many as 87 employees, where the population of all employees is 675 employees. The data collection technique in this study used the questionnaire method, while the data analysis technique in this study used a quantitative approach, with SEM-PLS statistical analysis. Data processing in this study using the software program SmartPLS 3.3.3. The results of this study prove that competence directly has a positive but not significant effect on employee promotions, directly work experience has a positive and significant effect on employee promotions, directly work performance has a positive and significant effect on promotions, and direct competence has a positive and significant effect on work performance, indirectly competence has a positive and significant effect on promotion through work performance, indirectly work experience has a positive and significant effect on promotion through work performance, indirectly work experience has a positive and significant effect on promotion through position promotion. This shows that work performance can affect competence towards promotions and through work performance, it can affect work experience towards promotions in positions PT. Bank Sumut Medan Head Office.

Keywords:
Competence; Job Promotion; Work experience; Work performance.

1. Introduction

Business transformation in the era of digitalization or technological disruption and the current Covid-19 pandemic is a must [1]. Companies are ready or not ready to be forced to transform to survive amid this terrible storm. One of the digitalization that must be carried out immediately is the development of human resources which are increasingly needed by providing training, HR development, or training for employees in the digital era. Which aims at personality formation, honing skills and work abilities, to increase loyalty to the company [2].

Employees are one of the company's assets that have a major impact on the progress of performance to the quality of products provided to consumers [3]. However, only expecting an increase from the employee side without being balanced with support from the company will make performance unbalanced and tend to decline [4]. When employees show optimal effort and satisfactory results, companies must also be able to appreciate their hard work. This will make employees feel valued and more enthusiastic about working [5]. The forms of appreciation or awards are given are various, from additional salaries, bonuses, or promotions to promotions if possible [6]. This applies to all companies, both companies engaged in services and non-services, one of which is a banking service company.
Promotion is the transfer of positions and tasks, the authority of an employee in the company's organizational structure towards a better direction based on the company's assessment of the employee's achievements [7]. This is also useful for providing motivation and enthusiasm for every employee to continue to work well and foster a sense of trust in the company, that the company appreciates every employee who wants to work well and wholeheartedly [8]. Promotions are often a hot topic of discussion among employees, it can be said that there is jealousy between employees, where there are employees who have less than 6 years of service and have received promotions, while there are employees who have worked > 6 years and have not been promoted at all [9]. This is of course the absolute policy and decision of the management on the assessment and assessment of each of these employees [10]. The phenomenon that occurs at PT. Bank Sumut Medan head office, it can be concluded that there are employees who feel that the provision of promotion is not appropriate by not prioritizing aspects of the experience/length of work of employees as a basis for consideration in giving promotions, where employees feel they have had a long service period. but haven't gotten a chance to be promoted.

Many factors affect the promotion of positions in the company. These factors are the competencies possessed by employees [11]. The role of competence is very important in the company because through competence the company can determine the placement and work area of employees according to their respective competencies, for example, the standard competence of an account officer must be from an accounting/management degree not from a literature or religion degree, this is needed to minimize employee risk unable to do a good job, which has an impact on decreasing the achievement of company targets [12]. Thus, each competency will affect the quality of employee work [13]. According to the initial survey at PT. Bank Sumut Medan Head Office found several phenomena from regular meetings/briefings that are often carried out by each division to provide direction and input related to directions and information on the extent to which the targets have been achieved, to provide evaluations and what strategies will be carried out in achieving company goals. optimally and well. There are still employees who are less skilled in providing innovation at work, one example is that they rarely give ideas in meetings that aim to achieve company goals. This condition certainly greatly affects the company's assessment of these employees who are less innovative and creative.

The next factor that affects job promotion is work experience, in general, it can be interpreted as someone who has the knowledge and abilities possessed based on activities that are carried out continuously for a long time [14]. People who have long work experience tend to be able to master the job well, and when placed in a new environment and place the employee can adapt quickly, this is very much needed by every company, besides saving time, experienced employees can make a good contribution to the company. the company, for example in problem-solving experienced employees, can make quick and appropriate decisions, then experienced employees have good ideas, which can be applied in the company today [15]. Based on an initial survey conducted at PT. Bank Sumut Medan head office, several phenomena related to work experience were found, including poor job mastery by new employees, for example, namely the length of time for completing services for one customer, compared to old employees who are more quick handling of one customer, then some new employees lack detail in explaining one information on one product offered so that customers do not understand the information conveyed.

2. Literature Review and Submission of Hypotheses

2.1 Position Promotion
The implementation of a promotion that is done well will have a positive influence on employees because it will encourage employees in improving their work performance. Promotion is a move that increases the authority and responsibility of employees to higher positions within an organization so that their obligations, rights, status, and income are greater [16]. Promotion is when an employee is transferred from one job to another with greater responsibility, a higher level in the hierarchy, and a higher income [17]. The principles of promotion are trust, justice, and formation. Job promotion indicators include social status, authority, responsibility, and income [18]

2.2 Work Performance
Good work performance is shown by every employee, so the company will be more able to face challenges and competition in the industrial world. Having employees with good work performance will provide


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benefits for the company so that the desire for the goals set by the company will be achieved. Work performance is the result of work in quality and quantity achieved by an employee in carrying out his duties by the responsibilities given to him [19]. Work performance is a person's effort which is determined by the ability of his characteristics and perceptions of his role in work [20]. Work performance is a result achieved by a person in carrying out the tasks assigned to him which are assigned to him based on skills, experience, sincerity, and time. To measure work performance indicators, namely work results, job knowledge, initiative, mental dexterity, attitude, time discipline, and absenteeism [21].

### 2.3 Competence

Competence is the ability and willingness to align personal behavior with the needs, priorities, and goals of the organization. This includes ways to develop goals or meet organizational needs which essentially prioritize the organization's mission over personal interests. In the world of work, the higher a person's competence, the higher the selling point of that person, including if this is related to financial value, or in other words, the financial gain that can be obtained will be higher. Competence is a basic characteristic of a person that allows them to produce superior performance in their work [22]. Several factors affect a person's competence, namely, beliefs and values, skills, experience, personality characteristics, motivation, emotional, intellectual abilities, and organizational culture [23]. As for [24] said that there are several indicators of work competence, namely as follows 1) Availability of data/information that can be used as evidence, whether certain job holders meet or do not meet the minimum competency requirements determined by the organizational unit to carry out their positions/jobs, 2) Availability of objective data/information that can be used in decision making, especially in the institutional and staffing fields, 3) As an effort to motivate the level of professionalism of incumbents, in order to continuously maintain and improve the competence of their positions, 4) Position holders can find out information on the level of competence they have, 5) All positions within the organization can function properly (according to the demands of the job), 6) Provide guidance to all incumbents in order to meet the standard competency standards for positions that have been set, 7) As a basis for HRD, to formulate employee competency and career development programs (individual Development Plan-IDP and Individual Career Path/Plan-ICP) based on the results of measuring the competence of positions that have been determined, 8) To improve employee competence if at the time of competency measurement it is found that their competence has not been able to meet the competency requirements of the position through training, coaching, and/or counseling programs.

### 2.4 Work experience

Work experience is the mastery of employee knowledge and skills as measured by the length of service, and the level of knowledge and skills possessed by employees [25]. Work experience is a basis/reference for an employee to be able to place himself in the right conditions, dare to take risks, be able to face opposition with full responsibility, and be able to communicate well with various parties to properly maintain performance productivity and produce competent individuals in their fields [21]. Benefits of work experience based on [26] state that there are various benefits of a person in gaining work experience. The benefits of work experience are 1) getting as many co-workers as possible and increasing work experience in various fields and 2) preventing and reducing job competition that often arises among the workforce. The indicators used to measure work experience are years of service, skills possessed, and mastery of work and equipment [25].

### 3 Research Methods

The type of research that will be used is quantitative associative, namely research that aims to determine the relationship between two or more variables [27]. The relationship used in this study is causal. In this study, the exogenous variables are Competence and Work Experience. Meanwhile, the endogenous variable is promotion and the intervening variable is work performance. The population in this study were all employees of PT. Bank SUMUT Head Office totaled 675 people. The sampling technique used by the researcher is a simple random sampling technique. Determination of the number of samples taken as respondents, considering the number of populations that are too large and the research time is quite short, a sample of 78 respondents will be taken and distributed to three divisions, namely the operational division, general division, and planning division for employees of PT. Bank SUMUT Medan Head Office. Data collection techniques are carried out by giving a form containing several questions in writing to respondents to get answers, responses, and information needed. The data analysis technique used in this research is the quantitative data

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analysis method. Data analysis in this study used Structural Equation Modeling (SEM) based on Partial Least Square (PLS).

4 Discussion

The Influence of Competence on Position Promotion
From the results of the analysis of hypothesis testing, it is known that the direct influence of competence on employee promotion at PT. Bank Sumut Medan head office has a path coefficient value of 0.072 and P-Values = 0.0514 > 0.05, and a tcount value of 0.653 < ttable 1.96. This means that H1 is rejected (H0 is accepted). Thus, competence has no significant effect on the promotion of employees at PT. Bank Sumut Medan head office. The results of this study are not in line with the results of the study [28][29][30] which states that competence has a significant effect on promotion. The implications of the findings in this study indicate that competence has a weak influence on promotion at PT. Bank Sumut Medan head office. This is possible when it is associated with the results of the questionnaire which shows that there are still respondents who disagree and disagree, even strongly disagree on several statements in the competency indicators, including the statement "Skilled in carrying out work innovation" as much as 24.13%. Based on the results of the questionnaire, it can be used as the basis that there are employees who do not believe incompetence is one of the considerations in promotion so that it has an impact on the lack of interest of employees in improving individual competencies, this is certainly not good for the continuity of the company because the better the competence of an employee the better the employee will be in completing his work, for that it is expected that every employee must have a desire to improve individual competence, even though competence is not the only determining factor in the consideration in granting promotions at PT. Bank Sumut Medan head office. Then the company needs to put competence in the first position among other indicators in considering promotions so that employees are motivated to further improve their competencies, there is also one way that is by providing regular programs to increase the competence of each employee with training, seminars and scholarships. for employees who wish to continue their education.

The Effect of Job Performance on Position Promotion
From the results of the analysis of hypothesis testing, it is known that the direct effect of work performance on promotion at PT. Bank Sumut Medan head office has a path coefficient value of +0.322 and a P-Values = 0.028 <0.05. While the value of tcount is 2.202 > ttable 1.96. It can be concluded that H1 is accepted (H0 is rejected). Thus, work performance has a positive and significant effect on employee competence at PT. Bank Sumut Medan head office. The results of this study support previous research that states that work performance have a significant effect on promotion [31][32][33]. The findings in this study that employees of PT. Bank Sumut Medan head office have placed work performance as the main choice in one of the requirements to be promoted to a higher position, because good work performance includes all aspects of assessment such as attitude, knowledge, discipline and work results, for that every employee needs to make promotions as the main motivation in improving good work performance.

The Effect of Work Experience on Work Performance
From the results of the analysis of hypothesis testing, it is known that the direct influence of work experience on work performance at PT. Bank Sumut Medan head office has a path coefficient value of 0.072 and P-Values = 0.0514 > 0.05, and a tcount value of 0.653 < ttable 1.96. This means that H1 is rejected (H0 is accepted). Therefore, the value of work experience has a weak influence on work performance at PT. Bank Sumut Medan head office. Then the company needs to put competence in the first position among other indicators in considering promotions so that employees are motivated to further improve their competencies, there is also one way that is by providing regular programs to increase the competence of each employee with training, seminars and scholarships. for employees who wish to continue their education.
The Influence of Competence on Work Performance

From the results of the analysis of hypothesis testing, it is known that the direct influence of competence on work performance at PT. Bank Sumut Medan head office has a path coefficient value of 0.304 and a P-Values = 0.006 <0.05. While the value of tcount is 2.745 > ttable 1.96. It can be concluded that H1 is accepted (H0 is rejected). Thus, competence has a positive and significant effect on employee performance at PT. Bank Sumut Medan head office. The results of this study support the results of research conducted by [37][38][39] which states that competence has a significant effect on work performance. The results of this study indicate that competence has an important role in the good and bad work performance of employees, if the good impacts are taken, such as increasing employee work performance, of course, this is highly expected by the company, the better the competence possessed by an employee, the more performance will increase. Work. Based on the results of this study, it can be related to the results of the questionnaire on competency indicators, where almost the majority of respondents answered agree on each statement, one of the statements listed is "Skilled in carrying out work innovation" with the results agreeing 87.35% of respondents, it can be assumed that employees of PT. Bank Sumut Medan head office tend to be skilled in doing work innovation, so it's not surprising that the work performance of employees of PT. Bank Sumut Medan head office is good. Then it is seen in other statements, such as the statement "Creating a technical program" where the results of the questionnaire stated that 79.31% of respondents agreed with the statement, this can mean that the employees of PT. Bank Sumut Medan head office can make technical programs in each of their work activities. to support the realization of good work performance, but in this statement also the most answers who answered disagree as much as 19.54% of respondents, employees can have the perception that without making technical programs in each of their work activities, an employee can improve his work performance, this may not be acceptable logically thinking in general, because by making a technical program is one way to make it easier for employees to work, so that everything that is intended can be achieved according to the plan that has been in the previous program. This might be an input for the company to always remind employees to get used to making technical programs at the beginning before starting employee work activities, one of which is asking employees to present the technical program either at daily, weekly or monthly meetings. Then this is also an input for employees to be more enthusiastic and wholehearted in working on work programs according to the targets set by the company.

Work Experience Against Position Promotion

From the results of the analysis of hypothesis testing, it is known that the direct influence of work experience on work performance at PT. Bank Sumut Medan head office has a path coefficient value of 0.379 and a P-Values = 0.007 <0.05. While the value of tcount is 2.686 > ttable 1.96. It can be concluded that H1 is accepted (H0 is rejected). Thus, work experience has a positive and significant effect on employee promotions at PT. Bank Sumut Medan head office. The results of this study are in line with research conducted by [40][41][42] which states that work experience has a significant effect on promotion. The results of this study indicate that work experience is one of the considerations in giving promotions to employees at PT. Bank Sumut Medan head office. This can be seen from the results of the questionnaire, showing that respondents answered agreed on each subsection of the statement, one of the statements given to respondents regarding work experience indicators was one of the "Long time/period of work" with 87.35%, this means that each employee has the perception of having a long period of work, it will make it easier for employees to be considered for promotion by the company, because the longer a person's working period, the more experienced a person is in doing more work than before, compared to employees who have a few years of service, then With a long working period of an employee, of course, the easier it is for the employee to solve problems at work so that the work given by the company can be completed effectively and efficiently. However, when viewed from the results of the questionnaire, the respondents who answered most disagreed with the statement "Level of knowledge and skills possessed" respondents answered as much as 18.39%, that it is possible that new employees do not have sufficient work experience so that it has an impact on limitations. the knowledge and skills possessed by these employees, this is certainly an input for the company to be able to continue to provide information to new employees, that work experience is one of the
The Influence of Competence on Job Promotion through Job Performance

From the results of the analysis of hypothesis testing, it is known that the indirect effect of competence on employee promotions is mediated by work performance at PT. Bank Sumut Medan head office has a path coefficient value of 0.256 and P-Values = 0.0015 < 0.05. While the value of tcount is 2.649 > ttable 1.96. It can be concluded that H1 is accepted (H0 is rejected). Thus, work experience has a positive and significant effect on employee promotion which is mediated by work performance at PT. Bank Sumut Medan head office, this is supported by a statement on one of the indicators of work experience, namely "Mastery of work and equipment" with the results of respondents being answered 89.10% of respondents answered agree, this can mean that employees understand work experience is one of the requirements for consideration in promotion, the more work experience an employee has at PT. Bank Sumut Medan head office, the more attention is paid to his promotion by the company Because, with good work experience, the employee's work performance will automatically increase. The results of this study are in line with previous research which states that competence has a significant effect on promotion through work performance [43][44][45]. The results of this study indicate that employees at PT. Bank Sumut Medan head office already understand and understand that competence is one of the determining indicators in consideration in the promotion of positions carried out by PT. Bank Sumut Medan head office if good competence will certainly have an impact on achievement a good job too, so there is a reason for the company to give the employee promotion/promotion to a higher level. This can be seen based on the results of the questionnaire on the statement "Ability to work cooperatively" as many as 74.71% of respondents answered agree where in this statement shows PT. Bank Sumut employees can work together to achieve company goals well. Then if you look at other statements such as "Able to coordinate" as many as 78.49% of respondents answered agree, it can be concluded that the employees of PT. Bank Sumut Medan head office can coordinate well, which has an impact on increasing their work performance. However, the results of different respondents can be seen from the results of the questionnaire on the statement "Able to make decisions" where respondents answered disagree as much as 20.68%, this is possible for some employees to feel they already have good competence but have not yet had the opportunity to get a promotion. This assumption does not have a good impact on the company, because it is feared that employees feel less cared for in given promotions, so employees are reluctant to improve their competencies, of course, this can be input for companies to be able to provide trust and transparency to employees in the employee promotion process.

Effect of work experience on job promotion through work performance

From the results of the analysis of hypothesis testing, it is known that the indirect effect of competence on employee promotions is mediated by work performance at PT. Bank Sumut Medan head office has a path coefficient value of 0.155 and a P-Values = 0.008 <0.05. While the value of tcount is 2.649 > ttable 1.96. It can be concluded that H1 is accepted (H0 is rejected). Thus, competence has a positive and significant effect on employee promotions which is mediated by work performance at PT. Bank Sumut Medan head office. The results of this study are in line with previous research which states that there is a positive and significant influence between work experience on promotion through work performance [46][47][48]. The results of this study indicate that employees at PT. Bank Sumut Medan head office already understand and understand that competence is one of the determining indicators in consideration in the promotion of positions carried out by PT. Bank Sumut Medan head office if good competence will certainly have an impact on achievement a good job too, so there is a reason for the company to give the employee promotion/promotion to a higher level. This can be seen based on the results of the questionnaire on the statement "Ability to work cooperatively" as many as 65 (74.71%) respondents answered agree that this statement shows PT. Bank Sumut employees can work together to achieve company goals well. Then if you look at other statements such as "Able to coordinate" as many as 78.49% of respondents answered agree, it can be concluded that the employees of PT. Bank Sumut Medan head office can coordinate well, which has an impact on increasing their work performance. However, the results of different respondents can be seen from the results of the questionnaire on the statement "Able to make decisions" where respondents answered disagree 20.68% this is possible from 20.68% of respondents are less able to make decisions correctly, so the employee takes time to
complete work because every action has to coordinate a lot with superiors and senior employees, thus causing it to be less effective and efficient, this, of course, leads to poor work performance resulting, thus affecting aspects of consideration in promotion at PT. Bank Sumut Medan head office. This is certainly a concern for the company to always educate its employees to open up opportunities for promotions for employees who have long work experience.

5. Conclusion

Based on the results of research and discussion that have been stated previously, conclusions can be drawn from this study regarding “The Influence of Competence and Work Experience on Position Promotion through Work Performance at PT. Bank Sumut Medan Head Office, as follows:

1. Competence has no significant effect on employee promotions.
2. Work performance has a positive and significant effect on employee competence.
3. Work experience has a positive and significant effect on employee performance.
4. Competence has a positive and significant effect on employee performance.
5. Work experience has a positive and significant effect on the promotion of employees at PT. Bank Sumut Medan head office.
6. Work experience has a positive and significant effect on employee promotions mediated by work performance.
7. Competence has a positive and significant effect on employee promotions mediated by work performance.

6. References


The Influence of Competence and Work Experience on Position Promotion through Job Performance at PT. Bank Sumut Head Office (M. Randy Gunawan, et all)


