

The Role of Human Capital Aspects as Sustainable Revenue in the Public Sector of the Singaraja District Court Office

Peran Aspek Human Capital sebagai Sustainabel Revenue pada Sektor Publik Kantor Pengadilan Negeri Singaraja

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ABSTRACT

This research wants to examine more about human capital through aspects of training, work motivation, career development and job satisfaction on employee performance at the Singaraja District Court Office. The research was conducted using quantitative methods to measure the influence and the level of significance. The analysis tool uses the PLS SEM and after testing the inner and outer models it is found that the variables of training, work motivation, career development, job satisfaction have a positive and significant effect on employee performance, directly or indirectly. Job satisfaction as an intervening variable also has positive and significant implications. This condition indicates that human capital through aspects of training, work motivation, career development and job satisfaction on employee performance really needs further attention at the Singaraja District Court Office.

Keywords : Human capital, sustainable revenue, intangible asset

1. Introduction

Organizations in carrying out operations certainly need working capital. The intended working capital can be in the form of money and human resources (Koeswanda, 2021). Working capital in the form of human resources means that capital is not only in the form of monetary assets, but also human resources. Human Capital becomes an added value to the organization through competence, motivation and teamwork in carrying out operations (Andiana Moedasar, 2022). Human capital greatly impacts the operational effectiveness of companies and organizations (Koeswanda, 2021; Prasetyo & Kristanti 2020). So it is very necessary to realize and understand that investments and assets are not only about money or materials, but also investments and assets in human resources which we know as human capital. Based on this presentation, as well as organizational performance in the public sector, for example in the Singaraja District Court Office. If the quality of human capital is inadequate, it will affect satisfaction to the performance of the Singaraja District Court office. The following is the performance phenomenon at the Singaraja District Court :

Table 1. Number of Cases Handled by the Singaraja District Court Office from 2018 to 2022

Number	Year	Number of Cases	Service	
			Finished on time	Not Finished on Time
1	2018	3.433	3.149	274
2	2019	3.307	2.931	376
3	2020	3.913	3.697	216
4	2021	3.457	3.061	396

The problems that occur at the Singaraja District Court Office are still visible in hundreds of cases that are still not resolved on time. This condition shows that the performance of employees at the Singaraja District Court Office still needs to be improved. Employee performance is very closely related to human capital. Under these conditions, companies should invest in human resources. All the burdens or costs incurred by the company with the aim of increasing the ability, knowledge and skills of employees should be seen as investment (Chen & Lin, 2003). Because through these steps, the optimal quality of human capital will support the company's performance and operations (Zia et al., 2021). We need to remember again that there is an intangible asset which includes human capital which is the most important element in achieving company success (Burr & Girard, 2002). Based on the problem and presentation, to find out the relationship and role of human capital in employee performance in the Singaraja District Court office, research was conducted using training variables, work motivation, career development and employee performance.

2. Methods

This research was conducted at the Singaraja District Court Office located on Jalan Kartini, No. 2, Singaraja, Buleleng, Bali, Kaliuntu, Buleleng. When carrying out research, researchers use secondary and primary data. Types of quantitative and qualitative data are also used in this study. Quantitative data in the form of descriptions of companies and organizations to quantitative data in the form of tabulations of the results of distributing questionnaires to respondents. Respondents in this study were employees who worked at the Singaraja District Court Office. The number of research samples was 52 employees. The data collection techniques used include questionnaires with an interval scale type of 1-10 and data collection using documentation techniques. While the analytical tool used to process data in statistics is Structural Equation Modeling (SEM) based on Partial Least Square (PLS). The researcher chose this analytical tool because this study had a small number of samples and there was a direct and indirect relationship to this research model. The research model can be seen in Figure 1, as follows:

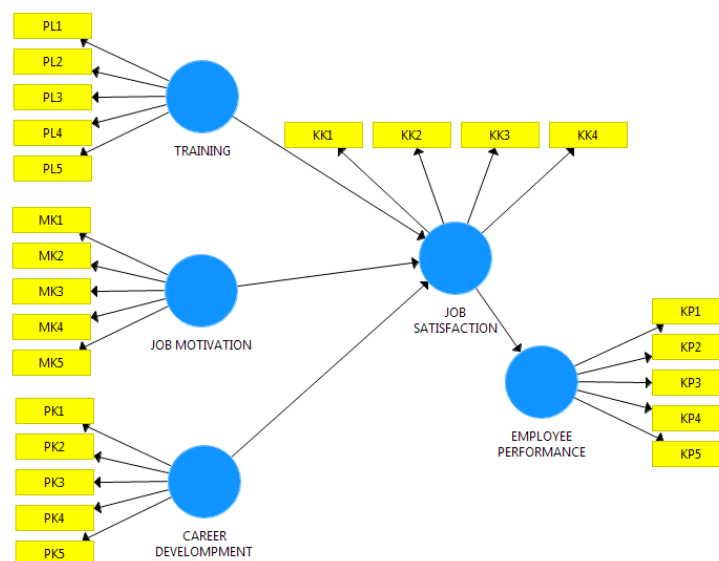


Figure 1. Research Structural Model

Based on the image model above, there are 4 research variables. Exogenous variables are training (PL), work motivation (MK), and career development (PK). The endogenous variable is

employee performance (KP) and the Z variable is job satisfaction (KK). There are direct and indirect relationships in this research model. The following is the hypothesis of this study:

- 1) H1 : Training can affect the performance of employees at the Singaraja District Court Office
- 2) H2 : Training can influence job satisfaction at the Singaraja District Court Office
- 3) H3 : Work motivation can affect job satisfaction at the Singaraja District Court Office
- 4) H4 : Career development can influence job satisfaction at the Singaraja District Court Office
- 5) H5 : Career development can influence employee performance at the Singaraja District Court Office
- 6) H6 : Job satisfaction can influence employee performance at the Singaraja District Court Office
- 7) H7 : Job satisfaction is capable of mediating between training and employee performance at the Singaraja District Court Office
- 8) H8 : Job satisfaction is capable of mediating between work motivation and employee performance at the Singaraja District Court Office
- 9) H9 : Job satisfaction is able to mediate between career development and employee performance at the Singaraja District Court Office

3. Results and Discussion

After analyzing the data, it was found that the variables used in this study could be categorized as valid and reliable. This is shown by the results of the outer model test for validity testing which can be seen in the table 2 below:

Table 2. Outer Loading

Indicators	Training	Work motivation	Career development	Job satisfaction	Employee performance
PL1	0,763				
PL2	0,838				
PL3	0,787				
PL4	0,829				
PL5	0,849				
MK1		0,803			
MK2		0,778			
MK3		0,854			
MK4		0,803			
MK5		0,859			
PK1			0,718		
PK2			0,847		
PK3			0,720		
PK4			0,771		
PK5			0,770		
KK1				0,700	
KK2				0,759	
KK3				0,751	
KK4				0,861	
KP1					0,763
KP2					0,856
KP3					0,792
KP4					0,815
KP5					0,862

According to the category which states that a variable is declared valid if the value of the loading factor is ≥ 0.70 which is presented in theory by (Imam Ghazali, 2015). As seen in Table 1, the overall loading factor value is > 0.70 so it is said to be valid. Then proceed with checking for discriminant validity to ensure that each concept in the latent variable is different. The following is Table 3 regarding the discriminant validity values :

Table 3. Discriminant Validity Values

Variable	Job Satisfaction	Employee Performance	Work Motivation	Training	Career Development
Job Satisfaction	0,770				
Employee Performance	0,830	0,818			
Work Motivation	0,819	0,802	0,820		
Training	0,713	0,717	0,739	0,814	
Career Development	0,766	0,767	0,744	0,728	0,767

Further checking by paying attention to the AVE (Average Variance Extraced) value to ensure that all variables used in the research model meets the validity requirements. Based on Table 2. related to the value of discriminant validity > 0.50 so that it can be said to be a valid variable for the next test process.

Meanwhile, for the reliability test, the test results that need to be paid attention to are the Composite Reliability and Cronbach Alpha results. The following is Table 4 which shows the results or Composite Reliability and Cronbach Alpha values of this research :

Tabel 4. Composite Reliability Dan Cronbach Alpha

Variable	Cronbach's Alpha	Composite Reliability
Training	0,872	0,907
Work Motivation	0,878	0,911
Career Development	0,824	0,877
Job Satisfaction	0,769	0,853
Employee Performance	0,876	0,910

For the standard reliability test, the minimum value for a variable to be declared reliable is to have a minimum value of 0.60 for Cronbach Alpha and a minimum value of 0.70 for Composite Reliability. According to the values shown in Table 3, all Composite Reliability and Cronbach Alpha value variables have met the suitability requirements.

Inner model testing was carried out to determine the predicted results of the causal relationship between variables in the research model. Because this research model does not only have direct relationships but also indirect relationships, so it does not only pay attention to direct effect results but also indirect effects (Imam Ghazali, 2015). The following are the results of the path coefficient values for this research model :

Table 5. Path Coeficients (Direct Effect)

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (IO/STDEVI)	P Values
Job Satisfaction -> Employee Performance	0.469	0.465	0.126	3.722	0.000
Work Motivation -> Job Satisfaction	0.461	0.462	0.131	3.507	0.000
Training -> Job Satisfaction	0.252	0.254	0.091	2.764	0.006

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (IO/STDEVI)	P Values
Training -> Employee Performance	0.208	0.215	0.085	2.450	0.015
Career Development -> Job Satisfaction	0.265	0.264	0.130	2.046	0.041
Career Development -> Employee Performance	0.278	0.279	0.110	2.521	0.012

The P values in Figure 1 show that all direct relationships of exogenous variables to endogenous variables have a significant effect. The t statistical value indicates a causal relationship that is positively influenced. Based on Figure 1, it is the direct relationship between job satisfaction and employee performance that shows the highest influence (3,722) and the relationship between career development and job satisfaction has the lowest statistical t value (2,046). Meanwhile, the indirect relationship can be seen in Figure 2, as follows :

Table 6. Indirect Effect

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (IO/STDEVI)	P Values
Job Satisfaction -> Employee Performance					
Work Motivation -> Job Satisfaction					
Work Motivation -> Employee Performance	0.216	0.218	0.089	2.424	0.016
Training -> Job Satisfaction					
Training -> Employee Performance	0.118	0.120	0.058	2.041	0.042
Career Development -> Job Satisfaction					
Career Development -> Employee Performance	0.124	0.118	0.062	2.001	0.046

The indirect effect results state that there are three indirect relationships in this research model that job satisfaction can mediate training, motivation and career development on employee performance. Based on Table 4. Direct Effect and Table 5 Indirect Effect displays test results which can be concluded that all variables namely training, work motivation, career development, job satisfaction have positive and significant implications for employee performance at the Singaraja District Court Office. So it is increasingly clear that the human capital aspect which consists of abilities, skills and knowledge which can be improved through training is very important to improve employee performance. Apart from that, it is also important to have motivation and career development actions to support employee job satisfaction. As we know, human capital has great economic value and is able to contribute to sustainable revenue for the company itself (Schermerhon, 2005) and (Rachmawati, D., F. Wulani, 2004). The results of previous research also produced the statement that training has positive and significant implications for employee performance and likewise with job satisfaction, employee performance also has positive and significant implications (Efendi, S., & Winenriandhika, 2021). The relationship between job satisfaction and employee performance was also stated to have a positive and significant influence by Meidita (2019). Meidita, (2019) also found a positive and significant relationship between work motivation and job satisfaction. Career development on job satisfaction and employee performance are each stated to have a positive and significant influence which was previously found by Hutabarat, D. M., Lie, D., Butarbutar, M., & Sisca, (2018) and Suryantiko, D., & Lumintang, (2018). Furthermore, related

to job satisfaction as an intervening variable, the results of this research test found that it had a positive and significant influence as well. These results have also been found by Syamsuri, A. R., & Siregar (2018).

4. Conclusion

The research results provide an illustration that the human capital aspect of employee performance can be improved by further intensifying the factors of training, work motivation, career development and job satisfaction. Likewise, job satisfaction as an intervention or mediation can have positive and significant implications. So researchers suggest to the Singaraja District Court Office to pay attention to the factors of training, work motivation, career development and job satisfaction to improve employee performance. Human capital is very important for a company's success. Expenditures for human resource development are investments, not costs.

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