

The Influence of Human Capital and Job Satisfaction on Employee Performance at the Food Crops Agriculture Office of Ciamis Regency

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Abstract

The purpose of this research is to evaluate the relationship between human capital (also known as human capital) and job satisfaction as it relates to employee performance in the Department of Food Crops Agriculture's Ciamis District. In this study, a quantitative approach is taken, and survey methods and questionnaires are used to collect primary data. Employees of the Ciamis Regency Food Crops Agriculture Office volunteered their time to participate in this study. Statistical methods, such as multiple regression analysis, will be utilized in the process of analyzing the data that was obtained. According to the findings, the performance of workers at the Department of Agriculture and Food Crops, Ciamis Regency, is affected both partially and concurrently by human capital as well as the level of pleasure expressed by customers. It is anticipated that the administration of the Ciamis Regency Food Crops Service will gain helpful insights from this research, which can then be used in the establishment of appropriate policies and programs for the development of human resources. Additionally, the findings of this research have the potential to make a contribution to a more comprehensive investigation of the factors that influence employee performance within the framework of the agricultural industry.

Keywords: *Human Capital, Human Resources, Job Satisfaction, Employee Performance.*

INTRODUCTION

An organization or agency can work effectively if management activities such as planning, organizing, motivating, and controlling are in place and meet the requirements (Yusuf, 2013). Human resources (employees) are one of the most critical aspects that can help an organization run smoothly. Human resources have a significant impact on organizational success (Abdullah, 2017).

The emergence of the view that knowledge is a very strategic corporate resource, according to Ongkorahardjo et al. (2022), is based on the fact that knowledge can be used to develop organizational competitiveness because it is of rare value, difficult to imitate by competitors, and cannot be replaced by other types of resources. According to Mayo (2000), measuring organizational performance from a financial standpoint is extremely accurate; however, human resources with all of their knowledge, ideas, and innovations will be the

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foundation for driving the value of finance (Hasanudin, 2022). Furthermore, human resources are at the heart of each firm. Organizations are made up of individuals who collaborate to achieve common aims. According to Umar (2001), an organization cannot function without individuals.

Organizational goals will be achieved through positive employee performance; otherwise, the organization will face obstacles in achieving goals when employee performance is ineffective, in the sense that employees are unable to meet the job demands desired by the organization (Mulia & Saputra, 2021). Employee performance is critical for organizational leaders because it serves as a barometer for success in managing the organization they manage (KR et al., 2023). As a result, performance is a critical factor in management's work in managing the business, because it is critical for management to recognize and comprehend different vital aspects related to employee performance, both in terms of causes and effects. According to Mangkunegara (2005), performance is the consequence of an employee's job in quality and quantity in carrying out his duties in accordance with the obligations assigned to him.

Human capital has been identified as a factor that has a significant impact on employee performance. Human capital has been utilized extensively in place of human resources. (Armstrong, 2006) Human capital is defined as a supply of knowledge, skills, experience, creativity, and other employee attributes, and it is argued that human capital also entails assigning a monetary value to each of these attributes as well as utilizing organizational knowledge effectively. Human capital has five components, according to Vidotto et al. (2017): individual capability, individual motivation, leadership, the organizational climate, and work group effectiveness. Each component plays a unique function in the creation of human capital, which ultimately determines a company's worth (KR, 2022).

In addition to human capital, employment satisfaction is recognized as a significant factor in employee performance. Job satisfaction reflects employees' subjective evaluations of aspects of their jobs, such as the work environment, organizational policies, career development opportunities, and coworker relationships (Meithiana, 2017). Employees who are satisfied with their employment are typically more motivated, committed, and productive. Employees who are satisfied with their jobs will demonstrate a positive attitude toward their work, whereas dissatisfied employees will demonstrate a negative attitude toward their work (Sunarta, 2019). Job satisfaction is the consequence of an employee's diverse attitudes; if a job aligns with the employee's interests and expectations, job satisfaction will be greater, and vice versa (Novliadi, 2007).

Despite the significance of human capital and job satisfaction in the context of employee performance, there is still a dearth of research examining the relationship between these factors and employee performance at the Ciamis Regency Food Crops Agriculture Office. This

study seeks to address this knowledge gap by investigating the relationship between human capital and employee performance at the Food Crops Agriculture Office of Ciamis Regency.

By gaining a comprehension of the factors that influence the performance of Food Crops Agriculture Service employees, it is anticipated that management will be able to design appropriate human resource development policies and programs to enhance employee performance and organizational effectiveness. In addition, this study's findings can contribute to a broader understanding of the factors that influence employee performance in the agricultural sector.

LITERATURE REVIEWS

Human Capital

Human capital, as defined by Matthewman & Matignon (2004), is "the stock of intangible assets that an organization can draw on to increase its ability to compete and succeed." This includes employees' skills, knowledge, and experience. Humans are not simply resources but capital that generates returns, as argued by Becker (2009), and every outlay made to improve the quality and quantity of capital is an investment.

Mayo (2016) identifies five aspects of human capital: competence, motivation, leadership, culture in the workplace, and productivity in teams. From the above, we can deduce that human capital is a strategy for boosting productivity in the workplace by investing in people's education, training, and experience.

Job satisfaction

Job Satisfaction, according to Edy Sutrisno (2019), is an employee's attitude toward work in relation to work situations, cooperation between employees, rewards received at work, and matters pertaining to physical and psychological factors. According to Aziri (2011), every worker anticipates receiving fulfillment from his place of employment. Job Satisfaction will impact the anticipated productivity of managers. For this reason, managers must comprehend what must be done to increase employee job satisfaction.

For organizations, a discussion of Job Satisfaction will entail efforts to improve organizational effectiveness by fostering more productive employee behavior at work. In addition to the use of modern machines as a consequence of technological advancements, it is also necessary to consider employee conduct that facilitates the achievement of organizational objectives. Employee dissatisfaction at work will lead to unfavorable organizational and individual outcomes. Dissatisfaction with one's job will result in aggressive behavior, or conversely, withdrawal from the social environment.

Employee Performance

According to Arifin (2004), performance is viewed as the multiplication of ability and motivation. capacity refers to a person's

capacity to perform specific tasks, whereas motivation refers to a person's desire to demonstrate behavior and willingness to attempt. People will perform their finest work when they have the will and desire to do so. According to Noe (2006), performance is essentially what employees do or do not do. Employee performance, according to Milkovich and Boudreau (1997), is the degree to which employees complete work according to predetermined conditions. On the basis of some of the definitions described, it can be concluded that employee performance is the result of a process or activity in certain employee-performed functions. The outcome is the degree to which the employee completes the work based on predetermined criteria.

METHODS

In this particular investigation, a quantitative approach was utilized for the strategy, while a survey methodology was selected for the method. The nature of the link between the variables in this study is a causal relationship (cause and effect), and the purpose of the investigation is to determine whether or not there is such a relationship between the independent variable human capital (X1) job satisfaction (X2) and the dependent variable, employee performance (Y). Participants who worked at the Ciamis Regency Agriculture and Food Crops Service made up this study's population. In the process of sampling, a technique called a saturated sample was used, and the total number of samples was 96 respondents. The respondents were given the ability to fill out the questionnaire in a timely and productive manner thanks to the utilization of an online questionnaire created with Google Forms as the data collecting medium. After that, Likert scale ratings were assigned to each questionnaire. After that, the data that had been gathered were subjected to partial tests as well as simultaneous testing with the assistance of the tool known as SPSS 26.0.

RESULTS AND DISCUSSION

Validity test

Each statement on the study instrument will be individually tested for validity and reliability using a per item statement validity test. The SPSS 26.0 application and the product moment formula are used to conduct the test. It may be deduced from the following data that the choice is valid because the r count is greater than the critical r value (0.3), based on the findings of the Human Capital Variable Validity Test (X1), Job Satisfaction (X2), and Employee Performance (Y).

Reliability Test

Using the Cronbach Alpha method, a test of reliability was conducted. Sugiono added that the reliability of a research instrument was determined by a Cronbach Alpha value of 0.6 or higher. The data were correlated using the SPSS version 26.0 software.

Table 1 Reliability Test Results

| Statement | r count | r critical | information |
|--------------------------------|---------|------------|------------------|
| Human capital (X_1) | 0.785 | 0.6 | <i>realistic</i> |
| Job satisfaction (X_2) | 0.814 | 0.6 | <i>realistic</i> |
| Employee performance (Y_1) | 0.799 | 0.6 | <i>realistic</i> |

Source: Processed SPSS output (2021)

According to table 1, every variable has a cronbach's alpha greater than 0.60. This demonstrates that all variables are stated to be real, meaning that the instruments used to measure the same object will produce identical data. A construct or variable is deemed reliable if its Cronbach's alpha is greater than 0.60.

Coefficient of Determination

Human capital (X_1) and work satisfaction (X_2) are two independent factors that have an effect on employee performance (Y), and the coefficient of partial determination is used to measure the strength of this linear relationship. The following information on the impact of (X_1), (X_2) on (Y) is obtained based on data processed with SPSS version 26.0:

Table 2 Test Results for the Coefficient of Determination

| Summary Model ^b | | | | | |
|----------------------------|-------------------|----------|-------------------|----------------------------|---------------|
| Model | R | R Square | Adjusted R Square | std. Error of the Estimate | Durbin-Watson |
| 1 | .754 ^a | .568 | .579 | 1632 | 1835 |

a. Predictors: (Constant), Human capital, Job satisfaction

b. Dependent Variable: Employee performance

Source: Processed SPSS output (2021)

According to the data shown in table 2., which can be seen above, the level of the coefficient of determination (R^2) is 0.568. This indicates that the contribution of human capital and work happiness to employee performance is 56.8%, while the remaining 43.2% of the variance in employee performance can be explained by the variables human capital and job satisfaction that are not mentioned in this study.

Hypothesis testing

The t test indicates the extent to which the influence of a single independent variable explains the dependent variable. This partial test is conducted by comparing the (α) value to the p-value. If the p-value is less than (0.05), H_0 is rejected. So that it can be stated that the independent variable partially influences the dependent variable, and vice versa. The outcomes of the t statistical test are shown in Table 3 below.

Table 3 Partial Test Results (t Test)

| Variable | P-Value | Sig | Information |
|------------------|---------|------|-------------|
| Human Capital | 0.003 | 0.05 | Influential |
| Job Satisfaction | 0.000 | 0.05 | Influential |

Source: processed data (2021)

The Human Capital variable has a P-Value of 0.003 where the probability value is less than 0.05, as shown in Table 3. Thus, according to the provisions of the testing criteria, if the probability value is 0.05, it is possible to conclude that the Human Capital variable influences employee performance if the probability value is 0.05. Next, it is demonstrated that the P-Value of the variable Job Satisfaction is 0.000, indicating that the probability value is less than 0.05. Consequently, in accordance with the provisions of the test criteria, if the probability value is less than 0.05. This indicates a partial effect of employment satisfaction on employee performance.

The F statistic test basically shows how far the influence of the independent variables simultaneously explains the dependent variable. This simultaneous test was carried out by comparing the value of α (*alpha*) with the *p-value*. If the *p-value* < α (0.05), then H_0 is rejected. So that it can be said that there is a simultaneous influence between the independent variables and the dependent variable, and vice versa. If the *p-value* > α (0.05), then H_0 is accepted, which means that there is no influence between the independent variables on the dependent variable simultaneously. The following are the results of the F statistical test, which can be seen in table 4 below:

Table 4 Simultaneous Test Results (t test)

| ANOVA ^a | | | | | | |
|--------------------|------------|----------------|----|------------|--------|-------------------|
| Model | | Sum of Squares | df | MeanSquare | F | Sig. |
| 1 | Regression | 335,703 | 2 | 167,851 | 62,681 | ,000 ^b |
| | residual | 249,032 | 93 | 2,676 | | |
| | Total | 584,738 | 95 | | | |

a. Dependent Variable: Employee performance

b. Predictors: (Constant), Job satisfaction, Human capital

Source: Processed SPSS output (2021)

Based on table 4, the independent variable has a P-Value of 0.000, indicating that the probability value is less than 0.05. Thus, based on the provisions of the test criteria, if the probability value is less than 0.05, it can be concluded that Human Capital and Job Satisfaction influence employee performance simultaneously.

The influence of Human Capital on employee performance

Human capital refers to an individual's knowledge, skills, and competences, which can have a substantial impact on employee performance. The level of human capital among employees is important in carrying out tasks related to purchasing services to the community in providing knowledge about increasing agricultural production, managing resources, and empowering farmers in the context of the Ciamis Regency Food Crops Agriculture Office.

According to Gary Becker's human capital theory, investment in education, training, and development can raise individual human capital, hence increasing productivity and performance. Employees at the Ciamis District Food Crops Agriculture Office may have specific agricultural expertise, crop management skills, and competences related to sustainable agricultural practices as part of their human

capital. Employees are better prepared to carry out their jobs and contribute to the broader goals of the organization when they have such human capital.

Organizations can make informed decisions about hiring, training, and career development programs to enhance the capabilities of their employees and ultimately improve overall performance results by understanding the specific human capital factors that contribute to higher levels of performance. This study supports the findings of Ritonga (2019), who discovered that human capital has an impact on the performance of PT Mustika Asahan Jaya staff.

Effect of Job Satisfaction on Employee Performance

Employees' subjective evaluations of many aspects of their jobs, such as the work environment, organizational policies, career development prospects, and coworker relationships, are referred to as job satisfaction. A high degree of job satisfaction can have a substantial impact on employee performance in the context of the Ciamis Regency Food Crops Agriculture Service. According to job satisfaction theory, employees who are content with their occupations are more motivated, dedicated, and high performers. Employees who are satisfied with their work environment, feel valued and recognized for their contributions, and have clear career development prospects are more likely to complete their responsibilities effectively and create better outcomes.

Employees' job happiness can have a favorable impact on their performance in a variety of ways, according to the Food Crops Agriculture Office of Ciamis Regency. Employees that are satisfied with a supportive and collaborative work environment, for example, will be more motivated to actively participate to work teams, share knowledge and experiences, and generate innovations that improve agricultural yields.

Furthermore, personnel who feel valued and rewarded for their efforts to the Ciamis District Food Crops Service are more likely to take ownership of their tasks. This can motivate them to generate better results, exceed expectations, and work more efficiently on allocated duties. Furthermore, employees who believe they have clear career development prospects will be more motivated to improve their skills and abilities in order to better perform their jobs. These findings are congruent with the findings of Nurrohmat and Lestari (2021), who discovered that job happiness had an impact on employee performance.

The Effect of Human Capital and Job Satisfaction on Employee Performance

Employee performance at the Food Crops Agriculture Service can be improved by paying focus on and optimization of both human capital and employment satisfaction. To achieve excellent employee performance in this context, it is essential to focus on and develop these two factors. Human capital or human capital is essential for enhancing employee performance. Employees can perform their duties more

effectively and efficiently if they have the necessary knowledge, skills, and abilities. Therefore, it is essential to invest in the development of human capital, such as through training, education, and work experience, in order to increase the competence and capability of employees in performing agricultural and food crop-related tasks.

Additionally, job satisfaction plays an important function in improving employee performance. When employees are satisfied with their employment, they tend to be more motivated, devoted, and committed to completing their assigned tasks. Job satisfaction can influence attendance, productivity, and work quality. Therefore, organizations must establish a work environment that prioritizes employee needs and satisfaction, such as by providing recognition, development opportunities, and assistance in achieving career objectives. In order to improve the performance of good employees, it is also necessary to evaluate an employee's performance. A systematic and objective evaluation of employee performance can help identify their strengths and deficiencies and provide constructive feedback for self-improvement and development. Through monitoring performance and recognizing excellent accomplishments, employees will feel valued and be continuously motivated to improve their performance. According to research conducted by Fanggalda (2022), there is a relationship between Matana University employee performance and human capital and job satisfaction.

CONCLUSION

The results indicated that the development of human capital, which includes employees' knowledge, skills, and competence, as well as job satisfaction obtained from a conducive work environment and clear career development opportunities, have a significant impact on employee performance, both partially and simultaneously. In order to improve employee performance and accomplish organizational objectives, it is crucial for organizations to invest in human capital development and establish a work environment that prioritizes employee needs and satisfaction. Employee performance can be enhanced through the Ciamis Regency Food Crops Agriculture Office by focusing on two primary factors: human capital and job satisfaction. Investing in the development of employee knowledge, skills, and competencies, as well as in the creation of a work environment that meets employee needs and ensures their satisfaction, is crucial to achieving excellent employee performance. By combining these two factors, the Ciamis Regency Food Crops Agriculture Service is able to increase employee effectiveness and attain organizational objectives.

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