

## Performance Management As a Mediation of Variable of Competence and Coaching Skills That Impacts Organization Sustainability

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### ABSTRACT

The purpose of this study is to analyze the variables of competence with performance management, competence with organization sustainability, coaching with performance management, coaching with organizational sustainability, and performance management with organizational sustainability. The research method used is qualitative by reviewing the literature related to the variables in this study. The results of the study that of all references to variables stated have a direct influence from the reference to the article displayed, it's just that there are two variables that are not fulfilled by not finding scientific articles related to the variables in this study. The gaps of this study are servant leadership variables, gender implication, intervention in organization, effectiveness, mechanism, employee performance, intrinsic motivation, work commitment, organizational citizens behavior, organizational effectiveness, and quality management.

## **INTRODUCTION**

Employee performance can be improved with the help of coaching. Coaching allows managers or supervisors to work closely with employees to understand their needs, skills, and goals while helping them acquire the knowledge and abilities needed to meet company goals. Through coaching, employees get specific, constructive feedback and a clear understanding of their strengths and weaknesses. Employees can then concentrate on improving skills and abilities that need to be strengthened to improve their performance. Coaching that emphasizes self-awareness and potential development drives desired and long-lasting change in both individuals and organizations. Although coaching is recognized as a useful tool in today's society, there is no widely accepted consensus on how to apply coaching to organizations in an effective way (Rosha, 2014), (Rosha, 2014)(Cox, 2012)(Cox, 2012)

The processes used in performance management, on the other hand, are intended to ensure that workers contribute effectively to the achievement of organizational goals. Measuring employee performance, monitoring progress, and offering helpful critiques to improve performance are typical components of performance management. In this situation, the manager or supervisor can provide deeper insight into employee performance and more focused feedback with the help of coaching skills. When managers or supervisors have strong coaching abilities, they can support staff in identifying and resolving performance issues and ensuring that they contribute productively to the achievement of organizational goals. According to ((Grover & Furnham, 2016) programs for training evaluation are only available to organizations that have implemented them, which further emphasizes gaps in literature, further from (Haryanto, 2021)(Haryanto, 2021) HR managers are helped in manufacturing industries to seriously evaluate their HR development investment plans in the form of training practices and guide their company's HR strategy.

Coaching skills are one of the skills that are very important for organizational development and sustainable development. Skills coaching helps organizations develop the potential and skills of people to improve overall organizational performance. In his book (Zimmerman & Bell, 2014)(Zimmerman & Bell, 2014) a case study of organizations that have built skills and culture for sustainable thinking and successfully applied the Matrix Map framework to decision making, also in his book (Weybrecht, 2013)(Weybrecht, 2013).

Coaching skills are also related to the competence of employees in the organization, of course, making employees contribute to the organization to build performance management and organizational sustainability. Competency is an important issue in working in an organization where the form and level of employee behavior varies. If employees have low skills, it prevents the organization from achieving efficiency (Veithzal & Sagala, 2004). In the opinion (Brockner et al., 2006) Leadership characteristics can influence the importance of different objectives that can be achieved in performance appraisal activities and that are considered important by different goal assessors, and can affect the level of supervisors who develop and maintain

performance management competencies. From some of the phenomena above, the purpose of this study is to analyze the variables of competence with performance management, competence with organization sustainability, coaching with performance management, coaching with organizational sustainability, and performance management with organizational sustainability.

## **THEORETICAL REVIEW**

### **Performance Management**

According to (Armstrong, 2006) Performance management is a strategy to improve employee performance, productivity, and efficiency. It emphasizes alignment of corporate and personal goals, continuous performance monitoring, and training and development. According to (Armstrong, 2012) management is Focusing on broad concepts that include employee performance, goal setting, goal setting, accountability, performance evaluation and improvement, employee training and development, as well as talent identification and promotion, it is the process of systematic business improvement of the organization. Performance management is a multi-step process used in organizations to manage employee performance (Smither & London, 2009).

### **Organization Sustainability**

Sustainable development is a popular topic in society that has even reached an organization called Organizational Sustainability (Cella-de-oliveira, 2013) according to (Elkington & Rowlands, 1999) In pursuit of sustainability, organizations seek market legitimacy, increase their capacity, and ensure better financial performance. From the lower three-control system. There are not many theories about organizational sustainability that are obtained in full by researchers.

### **Competence**

The concept of competence as a measure of individual work performance is the most commonly received trait or contribution related to good job performance ((McClelland, 1973) according to (Mulder et al., 2009) competence as "an integrated skill set consisting of a group of knowledge, skills, and attitudes necessary to perform tasks and solve problems, Competency models don't really matter unless they are applied to actual HR functions. In the field of performance management, the most widely used competency frameworks are applied (Kaur et al., 2018) Competence is related to the expertise and skills possessed from the results of achievements followed by each individual, so proof can be in the form of application at work or with a mark in the form of certification.

## Coaching

Coaching in conceptual context is related to the behavior of "starting the structure" of the leader as it relates to the focus of performance improvement set and regulated by the Coach the role and goals for their employees, On the other hand, the coach also provides support and rewards to employees related to the behavior "consideration" of the leader. (Heslin et al., 2006) Coaching is an increasingly popular leadership development tool. When developing human resources, companies focus on responding to unstable operating environment factors (Rosha, 2014), (Rosha, 2014)(Huang & Hsieh, 2015)(Huang & Hsieh, 2015)

## METHODOLOGY

The writing methodology in this study uses qualitative techniques by reviewing the literature related to the variables in this study. Literature review is a way or method of scientific writing in the form of library research. Theory analysis, analysis of the relationship between variables from books and journals both offline and online sourced from Mendeley, Google Scholar, and other online media. The journals studied are outlined in table 1.1 of the following journal metrics:

Table 1. Metric Article Research

Author, year and Title	Variables used	Findings	Differences with this study
(Kaufman, 2006) The role of executive coaching in performance management	X: Executive Coaching Y: Performance Management	X1 → Y (Sig)	
(Duff, 2013) Performance management Coaching: Servant Leadership and gender implications	Y = Performance Management Coaching X1 : Servant Leadership X2 : Gender Implications	X1 - Y (Sig) X2 - Y (Sig)	X1 : Servant Leadership X2 : Gender Implications
(Grover & Furnham, 2016) Coaching as a Developmental Intervention in Organizations: A Systematic Review of Its Effectiveness and the Mechanisms Underlying It	Y : Intervention in Organisations X1 : Effectiveness X2 : Mechanisms Z : Coaching	X1 - Y (Sig) X2 - Y (Sig) Y - Z (Sig)	Y : Intervention in Organisations X1 : Effectiveness X2 : Mechanisms
(Haryanto, 2021)	X : Employee	X - Y	Y : Employee

Coaching for Performance Management: The Role of Motivation and Commitment	Coaching Y : Employee Performance Z1: Intrinsic Motivation Z2 : Work Commiment	(Sig) X - Z1 (Sig) X - Z2 (Sig) Z1 - Y (Sig) Z2 - Y (Sig)	Performance Z1: Intrinsic Motivation Z2 : Work Commiment
(Chan, 2006)  Core competencies and performance management in Canadian public libraries	X : Core Competenciies Y : Performance Management	X - Y (Sig)	
(Rahmawati, 2018)  Effect of competence on Organizational citizenship behavior and performance management: The impact on organizational effectiveness	X : Competence Z1 : Organizational Citizens Behavior Z2 : Performance Management Y : Organizational Effectiveness	X - Y (sig) X - Z1 (sig) X - Z2 (sig) X - Y (sig) Z1 - Y (sig) Z2 - Y (sig)	Z1 : Organizational Citizens Behavior  Y : Organizational Effectiveness
(Korenková et al., 2019)  Linking a performance management system and competencies: qualitative research	X : Performance Management Y : Competencies	X-Y (Sig)	
(Munck et al., 2012)  Competences for Organizational Sustainability: A Proposal for an Analytical Tool for Assessing Eco-Efficiency	X : Competences Y : Organizational Sustanaibility	X-Y (Sig)	
(Siva et al., 2018)  Organizing Sustainability	X : Competencies Y Organising Sustanability	X - Y (sig) Z - Y	Z : Quality Management

Competencies through Quality Management: Integration or Specialisation (Gadenne et al., 2012)	Z : Quality Management	(sig)	
The influence of sustainability Performance Management practices on organizational Sustainability Performance	X : Sustainability Performance Management Y : Organisational Sustanaibility	X - Y (sig)	

Source : Processed by Researchers (2023)

Researchers using qualitative research methods with literature review should be used consistently with methodological assumptions. This means that it must be used inductively so that it does not direct the questions asked by the researcher. One of the main reasons for conducting qualitative research is because the research is exploratory, (Ali & Limakrisna, 2013).

## DISCUSSION AND RESEARCH RESULT

This article analyzes and discusses variables that include: transformation digitalization competence, coaching, influencing performance management, and organizational sustainability. As for previous research and articles relevant to this article which include:

### The Influence of Coaching with Performance Management

Studies from (Kaufman, 2006) show the results of leadership training are often used as a substitute for performance management, especially negative feedback. In some cases, coaches are called when the driver's poor performance is not compensated. This article advises the driver if the owner's manual does not match. Identify areas and situations where the head coach can be actively involved. Next, identify the components of a successful training process. Subsequent studies (Duff, 2013) suggests different divisions of management tasks at different points in the training process, so an individual-centered servant leadership approach is appropriate in team training, especially when implementing performance management training. Later studies from (Grover & Furnham, 2016) Coaching is a powerful tool that your organization can utilize, and there are several key aspects to making coaching effective. However, there are gaps and further research in key areas of academic research, and we have identified a number of areas that require further research and practitioner attention.

The next study from (Haryanto, 2021) study results show that training has a positive and significant effect on intrinsic motivation, work attachment and employee performance. The results of this study can significantly influence HR decisions related to the training process of factory workers in Indonesia. The study will also help HR managers in the manufacturing industry to

seriously evaluate their HR development investment plans in the form of training practices and guide their company's HR strategy.

### **Effect of Competence on Performance Management**

The study of (Chan, 2006) showed results The key competencies identified by six public libraries are communication skills, interpersonal communication skills, customer service, analytical skills, responsibility, adaptability, technological competence, planning and organizational skills, organizational knowledge, creativity/innovation and leadership. In the performance appraisal process, employees are evaluated based on their core competencies. Unsatisfactory performance in any competence requires an action plan to improve the necessary knowledge and skills. The next study from (Rahmawati, 2018) with results that show competence has a significant effect on OCB and performance management. Competency, OCB and performance management have a significant effect on structural equation models. An employee with OCB is shown to act as a mediator, analyzing the effect of competence on organizational performance. Performance management cannot be a mediator to explain the effect of competence on organizational performance.

A subsequent study from (Korenková et al., 2019) with the results of the study showed that presenting the results of a qualitative study conducted to eliminate the bottleneck of the Z-MESOT matrix transmitted to the questionnaire. Questionnaires and structured interviews help identify differences in the responsibility attributes of the Z-MESOT matrix in relation to the size of the company under study. This article lists competencies related to key performance indicators that can be used to monitor theoretical and practical research.

### **Influence of Competence with Organizational Sustainability**

Studies from (Munck et al., 2012) state the results of research using qualitative methods The fact that organizations are able to structure their capabilities into a specific management model is just a starting point for creating strategic plans aimed at sustainability. We developed this theoretical study with the aim to develop and propose analytical tools capable of examining how well organizations provide supporting competencies that promote eco-efficiency based on an assessment of their level of eco-efficiency. The analytical tool uses an organization's ability to assess eco-efficiency, as originally proposed by the World Council for Sustainable Development. The next study from (Siva et al., 2018) states the results of research on sustainable competence organizations affect the level of environmental impact. In addition, trade-offs such as the source-weight ratio of materials cannot be used when sustainability is integrated as one area of responsibility into other specific competencies, suggesting that environmental sustainability knowledge is insufficient to identify potential trade-offs. damage such as quality and environmental impact.

### **Influence of Performance Management with Organizational Sustainability**

The study from (Gadenne et al., 2012) with the results of organizational research applies eight sustainability management practices (SPMP) to improve seven different sustainability performance indicators (SPIs). All eight SPMPs were positively associated with at least one or more SPIs. The document says that customer value performance indicators, new product development, and knowledge capital are related to one SPMP, while the other four performance indicators (environment, employee value, social responsibility, and financial performance) are all related to multiple SPMPs. Overall, the results showed that an organization's focus on individual SPMPs was positively associated with better performance in one or more SPIs.

From the description above, the recommendation given is that of all references to variables that are stated to have a direct influence from the article references displayed, there are only two Variables that are not met by not finding scientific articles related to the variables in this study. The gaps of this study are servant leadership variables, gender implication, intervention in organization, effectiveness, mechanism, employee performance, intrinsic motivation, work commitment, organizational citizens behavior, organizational effectiveness, and quality management.

### **CONCLUSIONS AND RECOMMENDATIONS**

Researchers see the non-fulfillment of existing references to support the variables in this study, namely coaching with organizational sustainability, perhaps with the limitations of researchers in finding and Time exists, so that in the future there are researchers who can continue this research with the same variables.

Recommendations in the future are still very rare for researchers to mention between the variables that researchers try to set forth in this paper, so that in the future it can be in Carry out this research with different methods and different objects to give color to the field of human resources, especially those in the research of this paper.

### **FURTHER STUDY**

This paper can provide an overview and add to the treasures although not yet broadly in the field of human resources management.

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