Analysis of the Effect of Change Management and Competence on the Performance of Legal Bureau employees

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Abstract

The purpose of this study was to analyze the influence of change management on the performance of law firm employees in government offices, to analyze the influence of competence on the performance of law firm employees in government offices. The research method is a quantitative survey, the research data was obtained by distributing online questionnaires through social media to 460 employees as respondents who were determined by the simple random sampling method, the research questionnaire was designed using a Likert scale of 7. Analysis of research data used structural equation modeling (SEM) with SmartPLS 4.0 software tools. The stages of data analysis are validity test, reliability test and significance test. The results of this study are change management has a positive and significant effect on the performance of law firm employees in government offices,
competence has a positive and significant effect on the performance of law firm employees in government offices. The novelty of this research is the creation of a new model of correlation management of change, competency and performance of law firm employees. This research can be replicated to other organizations, and other regions.

**Keywords**

Change Management Competence Performance ; Legal Bureau employees

**Introduction**

Bureaucratic Reform is one of the efforts to improve service to the community and create good governance. Attempts to fix this Of course it is not easy, it requires good laws and regulations, competent human resources, and the participation of all citizens. According to Supratman et al. (2021); Suryoto (2022) The importance of realizing a clean and accountable bureaucracy, in addition to increasing public trust in the government, but also as a form of responsibility to improve performance. For realizing a clean and accountable bureaucracy, activities that are prioritized by Ministries/Institutions/Regional Governments are determined in implementing Bureaucratic Reform in the internal scope of agencies, based on 8 areas of change. According to Widiyati (2022); Wijaya (2023) the micro level, change management has activities: Development and Strengthening of values to increase commitment and implementation of changes (reform); Strengthening the value of integrity; Development and strengthening of the role of change agents and role models; And. Development of work culture and adaptive work methods in welcoming the industrial revolution 4.0. According to Wijaya (2023) Change management is intended to design needs, action solutions, and overcome employee resistance. The process of convincing employees of the need for change should begin with interesting vision. Change Management in Bureaucratic Reform is intended to create a dynamic work culture so as to achieve the expected bureaucratic profile in 2025.

According to Aftab et al. (2022); Asbari et al. (2021) Efforts to improve are continuously carried out by the Legal Bureau, including improving, evaluating, and reviewing agricultural law products according to the needs and demands of the community; increasing the development of legal considerations and litigation as well as agreements in the agricultural sector; increasing the professionalism and morale of human resources in the field of law; increasing the quality of the availability and management of legal documentation and information; and carry out professional administration. The problem of change management that occurred in the Legal Bureau was that there had been no evaluation of whether change management had been implemented in the Legal Bureau or not, there had been no evaluation of how change management was implemented, resistance to change. According Esthi et al. (2022); Johari et al. (2022) states that resistance is an individual characteristic that leads to resistance or avoids a change. In addition,
there is no change agent in the Legal Bureau so that the implementation of change management in the Legal Bureau has not been felt. According to Dipura et al. (2022); Esthi et al. (2022) making a change is the work of a team, not an individual, because changes will be implemented more quickly if the spirit of change comes from a leader’s commitment.

According to Johari et al. (2022) To bring enthusiasm for these changes requires the presence of change agents, who are at least 20% of the total number of employees. In carrying out its duties and functions in order to produce quality legal products, credible, and synergistic needs to be supported by reliable human resources. With an organizational system that covers all functions, the human resources of the Legal Bureau need to adapt well from quality and field of control. Employee competence is very necessary in performance because individual employee competencies must be able to support the implementation of organizational goals and able to support any changes made in the organization so that the competencies possessed by individuals can support the work system. There are still many competence problems that ASNs have in the Legal Bureau. such as the lack of certified training that is followed both internally and externally and the lack of human resources based on the workload analysis of the Legal Bureau. Problems in this competency will affect the performance of the Legal Bureau because competence is needed to complete a job. Change management demands that changes occur for the better along with changes and increasing environmental demands. In addition, one indicator that has less value is the competency of employees in providing services. According to Aftab et al. (2022); Esthi et al. (2022); Johari et al. (2022) Competence of Bureau employees. Law is very necessary in the performance of an employee and will have an impact on achieving organizational goals. The lack of competence of employees in the Legal Bureau of the Ministry of Agriculture certainly will have an impact on the regulatory products produced and how stakeholders interpret a regulation, so it is important for the competence of employees in the Legal Bureau in the resulting performance. The purpose of this study was to analyze the influence of change management on the performance of law firm employees in government offices, to analyze the influence of competence on the performance of law firm employees in government offices.

### Literature Review

### Change management

According to Esthi et al. (2022); Johari et al. (2022) To achieve a better condition, a change process is needed which needs to be managed properly to get the desired results. Therefore a strategy is needed appropriate and sustainable changes. Change management appears as a driving force in changing the mindset and work culture of employees in changing an organization. The purpose of making a change itself is to improve the organization’s ability to adapt to environmental changes and create changes in employee behavior within increasing productivity in
the organization. Change management sees that change must be planned, organised, led and controlled. Organizational change occurs when an organization moves from its current state to a certain, anticipated future state with the aim of achieving increased effectiveness. Drivers of organizational change can be caused by external forces such as economic changes, increased competition among organizations, the labor market, new technologies, laws, international, government, and market or internal forces such as administrative processes, organizational growth, people problems, social and economic restructuring. The goal in any change in the organization is to improve a system/culture that has been in effect for a long time to be adapted to the current situation. According to Aftab et al. (2022); Asbari et al. (2021) Adaptation to a Change is a way to adapt in order to survive in changing circumstances. Therefore, change management is needed to manage the impact from a change, because not everyone can accept change well, by feeling comfortable with the conditions that have existed for a long time. Even though changes have benefits if managed properly, the organization becomes more dynamic, develops to be more advanced than in terms of technology and knowledge as well as its work culture.

**Competence**

According to Klein et al. (2022) Competence is a skill required by a person to demonstrate his ability to perform. According to Fernandez et al. (2022); Klein et al. (2022) stated that competency individual is defined as factual knowledge related to skills, experiences, attitudes, and judgments that are directly related to one's job. Application of knowledge and skills as performance standards are needed in completing a task. Competence is the basis of individual characteristics that determine success or failure employees in carrying out their duties and responsibilities. According to Fernandez et al. (2022); Haris et al. (2022); Competence can be interpreted as a behavioral dimension of expertise or superiority of someone who has the skills, knowledge, and good attitude.

**Performance**

According to Purwanto et al. (2021) Employee performance is needed by the organization in achieving organizational goals. Increasing and decreasing the performance of an employee is very dependent on the organization, so the relationship between organization with its employees must be harmonious so that employees can improve performance. A person's performance is determined by his ability and motivation to carry out the work. According to Kok et al. (2023); Mayastinasari et al. (2022) indicators in measuring performance are: a. Quality, the quality of work is measured by how the leadership perceives the quality of the work done produced and the perfection of tasks on the skills and abilities of employees. b. Quantity, the amount generated by employees for performance results, which is expressed as in the number of units, number of completed activity
cycles. c. Timeliness, the activity level of completing a job within a predetermined time as a standard for achieving time in completing work. d. Effectiveness How big and how much is the use of organizational resources, such as labor, technology, money, and raw materials maximized in increasing the yield of each unit in user resource. e. Independence, the level of employees in carrying out their work functions and work commitments, where employees have a commitment to work with the organization and employee responsibilities to the organization.

**Method**

The research method is a quantitative survey, the research data was obtained by distributing online questionnaires through social media to 460 employees as respondents who were determined by the simple random sampling method, the research questionnaire was designed using a Likert scale of 7. Analysis of research data used structural equation modeling (SEM) with SmartPLS 4.0 software tools. The stages of data analysis are validity test, reliability test and significance test.

Based on theoretical studies and references from previous research results, the following hypotheses are obtained:

**H1:** Change management has a positive and significant effect on performance

**H2:** Competence has a positive and significant effect on performance

![Research Model](image-url)

**Fig 1. Research Model**
Result and Discussion

Respondent Profile

Respondents in this study were 460 employees. As for the distribution of respondents, most of the respondents were male, most of the respondents were aged 31 to 40 years, most of the respondents had a senior high school level of education and most of the respondents had worked for 6 - 10 years.

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>321</td>
<td>70%</td>
</tr>
<tr>
<td>Female</td>
<td>139</td>
<td>30%</td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
</tr>
<tr>
<td>&lt; 30 Years</td>
<td>134</td>
<td>29%</td>
</tr>
<tr>
<td>31 - 40 Years</td>
<td>156</td>
<td>34%</td>
</tr>
<tr>
<td>41-50 Years</td>
<td>109</td>
<td>24%</td>
</tr>
<tr>
<td>&gt; 51 Years</td>
<td>61</td>
<td>13%</td>
</tr>
<tr>
<td>Education</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Senior High School</td>
<td>165</td>
<td>36%</td>
</tr>
<tr>
<td>Diploma</td>
<td>156</td>
<td>34%</td>
</tr>
<tr>
<td>Bachelor’s degree</td>
<td>102</td>
<td>22%</td>
</tr>
<tr>
<td>Master</td>
<td>23</td>
<td>5%</td>
</tr>
<tr>
<td>Doctor</td>
<td>14</td>
<td>3%</td>
</tr>
<tr>
<td>Work Experiences</td>
<td></td>
<td></td>
</tr>
<tr>
<td>&lt; 5 Years</td>
<td>123</td>
<td>27%</td>
</tr>
<tr>
<td>6 - 10 Years</td>
<td>165</td>
<td>36%</td>
</tr>
<tr>
<td>11-15 Years</td>
<td>89</td>
<td>19%</td>
</tr>
<tr>
<td>&gt; 16 Years</td>
<td>83</td>
<td>18%</td>
</tr>
</tbody>
</table>

Reliability and Average Variance Extracted (AVE)

Reliability of each variable show the high coefficient in term Cronbach’s Alpha and Composite Reliability (more than 0.700) and also Average Variance Extracted (AVE – measured the convergent validity) of each variable have met the criteria of validity (more than 0.500) as described in the table below.

<table>
<thead>
<tr>
<th>No</th>
<th>Variables</th>
<th>Cronbach’s Alpha</th>
<th>Composite Reliability</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Change management</td>
<td>0.812</td>
<td>0.923</td>
<td>0.612</td>
</tr>
<tr>
<td>2</td>
<td>Competence</td>
<td>0.924</td>
<td>0.909</td>
<td>0.724</td>
</tr>
</tbody>
</table>

Path Coefficients

Path Coefficients on Research Framework of Acievement Motivation can be described in figure below.
Fig 2. Validity Testing

The inner model test contains an explanation of the R-Square, while the R-square value in this study is as follows:

<table>
<thead>
<tr>
<th>Variables</th>
<th>R Square</th>
<th>R Square Adjusted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance</td>
<td>0.685</td>
<td>0.681</td>
</tr>
</tbody>
</table>

From the R square table, it can be concluded that 68.5% of performance is influenced by Green change management and competence, while the remaining 31.5% is influenced by other variables outside the study.

Research Hypotheses Tested

Based on the path coefficients mentioned above it can be found that all research hypotheses were tested as described on the Table 4 below.

Table 4: Hypotheses Testing

<table>
<thead>
<tr>
<th>No</th>
<th>Hypotheses</th>
<th>Path Coefficients</th>
<th>Significant Level</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Change Management -&gt; performance</td>
<td>0.602</td>
<td>p&lt;0.050</td>
<td>Accept the Hypothesis</td>
</tr>
<tr>
<td>2</td>
<td>Competences -&gt; performance</td>
<td>0.277</td>
<td>p&lt;0.050</td>
<td>Accept the Hypothesis</td>
</tr>
</tbody>
</table>
f2 Effect Sizes Evaluation

According to Purwanto et al. (2022) explains that the guidelines for assessing $f^2$ are that values of 0.02 (= small), 0.15 (= moderate), and 0.35 (= large), respectively, represent small, medium, and low effects. large (Hair et al. 2020).

<table>
<thead>
<tr>
<th>Construct</th>
<th>$f^2$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change Management</td>
<td>0.49</td>
</tr>
<tr>
<td>Competences</td>
<td>0.35</td>
</tr>
</tbody>
</table>

For the Reverse Logistic variable, the $f^2$ value of 0.49 represents a big effect, for the Green Procurement Aspects variable, the $f^2$ value of 0.35 represents a large effect.

Q2 Evaluation

$Q^2$ value is greater than 0 indicates that the model has predictive relevance for certain endogenous constructs. Conversely, values of 0 and below indicate a lack of predictive relevance (Purwanto et al 2022).

<table>
<thead>
<tr>
<th>Construct</th>
<th>$Q^2$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance</td>
<td>0.589</td>
</tr>
</tbody>
</table>

The value of $Q^2$ for the performance variable is $0.589 > 0.000$, meaning that this variable has predictive relevance.

Based on the results of the study, the direct influence test and the hypothesis the research aims to answer whether the proposed hypothesis can be accepted or rejected. The results of testing the direct effect hypothesis can be explained as follows:

Effect of Change Management on Performance

Based on table 4. coefficients above, it is known the significance value (Sig.) of the Management Change is 0.000. Because the value of sig. 0.000 < 0.05, it can be concluded that there is influence between Change Management on performance or H_a accepted. This result is also confirmed by excerpts from an interview with According to Kok et al. (2023); Purwanto et al. (2021) states “change management has a very strong and delivering relationship positive influence on performance, because changes occur dynamically, it needs management good change management in order to achieve the target and even exceed the target of each work. He also added that change starts from oneself, and every individual can be part of the agent of change because it can affect performance, relationships with
other employees, and comfort in the workplace. The need to protect and manage
the environment office to changes that occur, by the way every individual in the
Legal Bureau needs knowledge related to motivation, conflict, cooperation,
leadership, and communication, for managing change is the responsibility of the
individual in the organization. According to Novitasari et al. (2021); Novitasari et
al. (2021); Purwanto et al. (2021) the effect of change management in work makes
it more focused which affects work can be completed in accordance with targets
and time set and maximize existing potential.

The Effect of Competence on Performance

Based on the coefficients table above, it is known that the significance value
(Sig.) of the Competency variable is 0.000. Because the value of sig. 0.000 <0.05,
it can be concluded that there is an intermediate effect Competence (X2) on
performance or Ha is accepted. This result was also confirmed by Purwanto et al.
(2021); Putra et al. (2020); Sa’adah et al. (2022); Sancak (2023); Schiuma et al.
(2022) stated “competence has a very important role in improving employee
performance in the Legal Bureau because knowledge is growing with progress and
changing times forcing employees to continue to develop their competence through
training. Especially now that almost all employees have functional positions so that
every employee needs to be an expert in every position occupied because the right
man in the right place is needed at this time so that work can be maximized and
increased.” A similar statement was also conveyed by the First Expert Drafter of
Legislation which stated “competence is driving engine at work, employees who do
not have competence will not give good performance. The results of the study show
that competency has an influence on ASN performance at Legal Bureau of the
Ministry of Agriculture. The results of this study support the results of research
conducted by Purwanto et al. (2021); Putra et al. (2020); Sa’adah et al. (2022); Sancak (2023); Schiuma et al. (2022)

Conclusion

The results of this study are change management has a positive and
significant effect on the performance of law firm employees in government offices,
competence has a positive and significant effect on the performance of law firm
employees in government offices. The novelty of this research is the creation of a
new model of correlation management of change, competency and performance of
law firm employees. This research can be replicated to other organizations, and
other regions. Change Management affects employee performance in the Legal
Bureau, which can be seen from good communication between leaders and
employees regarding changes that occur in the organization so that leaders can
coordinate changes appropriately and provide the knowledge needed in dealing
with changes so that employees in the Legal Bureau can adapt to these changes.
and affect the increasing performance and discipline. Competence affects employee
performance which can be seen from the respondents' answers answered that the
competencies they possessed were very important in assisting employees in
carrying out their duties, so that employees tried to improve their competencies by attending training/training/socialization held, in addition to the desire to get a scholarship from the office that can support employee performance in the future. The need to increase the role of change agents and evaluate each year to find out the development of change management in the Legal Bureau as well as material for improvement in the following year. It is necessary to increase training to improve employee competence, so that good performance can be further improved. There is a need to increase the role of leaders in motivating and supporting employees both in change management and competency improvement.

References


