# QUALITY OF WORK LIFE AS A MEDIATION OF PSYCHOLOGICAL EMPOWERMENT ON EMPLOYEE PERFORMANCE IN "DELTA SURYA PURNAMA" SAVING AND LOAN COOPERATIVE

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#### **ABSTRACT**

Purpose: This study aims to determine the results of testing the effect of Psychological Empowerment as Mediation of Quality Of Work Life on Employee Performance at Koperasi Simpan Pinjam "Delta Surya Purnama", Analysis data: The research method use is the descriptive quantitative method using SEM-PLS 3.0 analysis tool to measure the results of Psychological Empowerment as an independent variable, employee performance as the dependent variable, and quality of work life as an intervening variable, This study uses a descriptive analysis with 50 respondents with a saturated sampling technique of the population, Result and discussions: The result of this study indicate that there is a psychological empowerment has a significant effect on employee performance. Psychological empowerment has an effect on the quality of work life. Quality of work life on employee performance, Conclusion: The "Delta Surya Purnama" Savings and Loan Cooperative can increase psychological empowerment by implementing a self-control system for employees so that characters are formed that can build cooperatives so that they become more developed. At the same time, it can improve the quality of work life with adequate facilities and technology so that performance becomes better and more effective.

Keywords: Psychological Empowerment, Employee Performance, and Quality of Work Life

#### INTRODUCTION

psychology empowerment is defined as their perception of their level of autonomy, their capacity to influence at work, their competence at work, and their capacity to discover how meaningful and meaningful work is to them, Individuals with psychological empowerment are also able to develop high-quality work relationships that support organizational change.

Tabel 1.1

Number of employees who meet the target Number of No. year Work target Information employees 1. 2019 43 80 % Not yet reached 2. 2020 49 85 % Achieved 3. 2021 50 90 % Achieved

Based on data collected in 2019 from 43 employees, performance has not met the goal due to the covid 19 pandemic's limitations. In the meantime, the goal can be met in 2020 with 49 employees because employees have been able to take advantage of opportunities despite the covid 19 pandemic. Because the situation has begun to return to normal and the Savings and Loans Cooperative "Delta Surya Purnama" has increased its performance, the target of 50 percent of employees was met in 2021.

A research gap can be identified based on the findings of previous studies. For instance, Monica's research (2021) demonstrates that psychological empowerment has a positive and significant impact on employee performance, that psychological empowerment has a positive and significant impact on employee performance, and that intrinsic motivation has a positive and significant influence on employee performance. Quality of work life has a significant positive effect on the intention to stay, psychological empowerment has a positive effect on the intention to stay, quality of work life also has a significant positive effect on the intention to stay, supervisor support has no significant effect on the intention to stay, and supervisors can increase job satisfaction but has no significant effect on the intention to stay, according to Intan's research (2021).In contrast, Hendra's (2016) research demonstrates that personorganization fit is influenced by the variable Quality of work life. Employee performance is also influenced by the quality of work life. Meanwhile, employee performance is strongly correlated with the person-organization fit.

According to Monica's research (2021), which demonstrates that psychological empowerment has a positive impact on employee performance, a research gap can be identified. Based on the aforementioned description, the authors are interested in elevating the research title "Quality of work life as a mediation of psychological empowerment on employee performance in the Savings and Loans Cooperative "Delta Surya Purnama."

#### THEORETICAL BASIS

Quality of Work Life, or QWL for short, means that employees can meet their most important needs by working for the company. Therefore we need a method to determine company performance and measure employee satisfaction. Knowing how employees feel about aspects of their work and implementing quality of work life is one way to measure employee satisfaction. Employee performance and job satisfaction are positively correlated with the quality of work life (Mufti, 2018). To measure the quality of life at work, there are four Participation problem-solving, Innovative indicators: in reward restructuring, and Work environment improvement. The following are the results of creating a Quality Work-Life System (Sinta, 2021): Increase employee job satisfaction, Improve occupational health and safety, Improve employee performance, Fostering learning in the workplace, and Drive change management.

According to Dhera (2020), psychological empowerment is defined as a set of psychological states that an employee has, such as the perception of their level of autonomy, the capacity to have influence in the work environment, self-competence to do work, and the capacity to discover how much meaning and meaning work has for them. himself personally. Utilizing psychological empowerment to improve employee performance can be achieved by providing regular training to divisional employees, the implementation of which is decentralized by the center. Individual responses to environmental changes are also strongly influenced by the significance of psychological empowerment. Psychological empowerment focuses more on empowering employees psychologically so that they can understand their competencies and develop their abilities. four indicators of psychological empowerment that have been developed include meaning, competence, self-determination, and impact. Psychological Empowerment has 5 cycles including (Rizqy, 2018): Engage managerial techniques that will help employees improve their feelings. Provide self-efficacy information to subordinates from sources, Empowered employees increase their efforts and develop

expectations of personal efficacy, Changes in behavior that will result in continuing efforts to achieve organizational goals, Involve the consideration of the aspects of the organization and its operations that direct employees to feel powerless.

An employee's performance is measured by the quality and quantity of work done in fulfilling his main responsibilities as an employee in accordance with those responsibilities. A business or organization is considered good if the output produced by its employees meets the quantity and quality standards of the business. The high or low of a person's performance is determined by the variables that influence him either directly or indirectly. Surya (2018) said that motivation, job satisfaction, stress levels, working conditions, compensation systems, and job design are factors that affect performance. According to Siti & Syaiful (2018), there are four indicators of employee performance, namely: responsibility, quantity, task execution, and quality.

#### **HYPOTHESES**

For research that tests the hypothesis, the hypothesis is H2: Psychological empowerment as a mediation of the quality of work life affects the performance of employees of the "Delta Surya Purnama" Savings and Loans Cooperative.

## **METHOD**

This study uses quantitative research with a causal approach as the author's method. The quantitative research method was carried out by collecting data in the form of numbers and then analyzing it with the help of the SEM (Structural Equation Model) PLS 3.0 to determine the continuity of the three variables used in this study. According to Sugyono (2015):17, the quantitative method can be defined as a riset that can be used to interpret information about variability and to perform a second hypothesis on variability from illustrations that are familiar to the current population.

Data collection techniques in this study were through observation and questionnaires with non-probability sampling techniques for sampling, and the sample consisted of fifty members of the "Delta Surya Purnama" Savings and Loans Cooperative.

### **RESULTS AND DISCUSSION**

Based on the respondent's statement, it can be explained that psychological empowerment affects employee performance with the respondent's assessment of the psychological empowerment variable on the Self Determination indicator with the statement I am able to control my role. The Savings and Loan Cooperative "Delta Surya Purnama" applies employee self-control by create a solid work environment system to support role control such as designing programs so that they are structured and implemented properly so as to create self-control in employees.

Based on the results of statistical calculations, it can be concluded that psychological empowerment is able to implement a self-control system for employees so that characters are formed that can build cooperatives so that they become more developed. This should also be supported by adequate facilities and technology so that performance becomes better and more effective. Leaders need to pay attention to these things so that the character and control in employees can be formed properly which will also bring the cooperative to be more advanced. In this way the vision and mission can achieve success and create good values for the cooperative.

This is in line with (Monica Levina, 2021) stating that good psychological empowerment can also increase good skills to support company progress. His research also explains that psychological empowerment has a significant positive effect on employee performance through intrinsic motivation. Likewise, research (Dhera Alfiana, 2020) explains that psychological empowerment is the ability to discover how much meaning and meaning one's work has for oneself.

This is also related to (Muryati etc., 2022:15) that employee performance has good value in order to increase the ability to guide employees so that they feel able to guide or motivate their staff properly.

#### **CONCLUSION**

Based on the formulation of the problem and the purpose of the study, namely to find out how the performance of employees of the "Delta Surya Purnama" Savings and Loans Cooperative is influenced by psychological empowerment through the mediation of the quality of work life, conclusions can be drawn from various research findings: The performance of employees of the "Delta Surya Purnama" Savings and Credit Cooperative benefits from psychological empowerment. The "Delta Surya Purnama" Savings and Loans Cooperative has a coefficient that measures the impact of psychological empowerment on employee performance. A higher coefficient means that employees at the "Delta Surya Purnama" Savings and Loans Cooperative can perform better. In addition, the performance of "Delta Surya Purnama" employees is positively influenced by psychological empowerment that mediates the quality of work life. Employees at the "Delta Surya Purnama" Cooperative have a higher performance when they have a better quality of work life. Delta Surya Savings and Loans" are more likely to perform best when their work environment is of a higher quality.

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