OPTIMALIZATION OF HOSPITAL EMPLOYEE PERFORMANCE dr. REKSODIWIRYO PADANG

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Abstract

This research was conducted in order to see Optimizing Employee Performance at Dr Reksodiwiryo Hospital Padang. With this research the researchers conducted this research on Jl. Dr. Wahidin No.1, Ganting Parak Gadang, Padang Timur District, Padang City, West Sumatra 25132. This research uses quantitative research, and uses primary data sources, the population of this research is 75 employees and the sample used is the entire population, so it uses a sampling technique bored for research, data collection used the questionnaire distribution method and used the Phat analysis model as the research model and used the Smart PLS version 3 tool to calculate research results. The results of this research are as follows: Leadership has a positive and insignificant effect on employee performance with an original sample value of 0.059 and a p value of 0.725. Work Quality has a positive and insignificant effect on Employee Retention with an original sample value of 0.123 and a p value of 0.538. Work Quality has a positive and insignificant effect on employee performance with an original sample value of 0.126 and a p value of 0.289. Employee retention has a positive and significant effect on employee performance with a value of 0.783 and a p value of 0.000. Leadership has a positive and significant effect on employee retention with an original sample value of 0.841 and a p value of 0.000. Leadership influences employee performance through employee retention positively and significantly with an original sample value of 0.658 and a p value of 0.000. Work Quality has an indirect and insignificant effect on Employee Performance through Employee Retention, with an original sample value of 0.096 and a p value of 0.540.

Keywords: leadership, work quality, employee retention, employee performance.

INTRODUCTION

Human Resources (HR) are the most important assets in developing and maintaining the survival of an organization. One of the keys to successful achievement of organizational goals is employee performance. An organization must be able to display the best performance in order to compete in the business world. Human resources are the key to the success of a hospital, because a hospital is a form of organization that functions as an institution engaged in health services to serve the community. Therefore, it is very important to create an atmosphere that supports human resource activities when working so that the level of errors in nursing (medical errors) can be kept as small as possible.

Hospitals are places that provide health services to the community. According to the Decree of the Minister of Health of the Republic of Indonesia Number 340/MENKES/PER/III/2010, a hospital is a health service institution that provides comprehensive individual health services that provide inpatient, outpatient and emergency services. One of the functions of a hospital is to provide nursing care and services aimed at maintaining public health as optimally as possible. In facing intense competition today, hospitals must have quality human resources. Human resources in an organization are an aspect that really determines the effectiveness of an organization.

Leadership is a new interdisciplinary field, although since the 1960s Douglas McGregor's theory has emerged in his book "The human side of Enterprise" which wrote about behavioral theory in HR management. Over the past century, only a few articles related to leadership have been published and only a few have focused on the goals and benefits of leadership development. Leadership development programs (Leadership Development Programs) have become something that has been widely discussed in the last two decades as a response to the urgent need to prepare leaders, both in the public and business sectors, who are competent in facing challenges and conditions of uncertainty. However, it turns out that only a few focus on evaluating the program ((Ely, K., Boyce, LA, Nelson, JK, Zaccaro, SJ, Hernez-Broome, G., & Whyman 2010).

Work quality is a result that can be measured by the effectiveness and efficiency of work carried out by human resources or other resources in achieving the company's goals or objectives well and efficiently. This is what causes one company to compete with another in terms of improving quality, whether it is improving the quality of human resources or product quality. Increasing human resources is an activity carried out together with employees and managers with the aim of seeking added value so that the company can face competitive challenges. Employee retention functions to retain the best employees that each company has. When employees decide to stay at a company, the main reason they have is to feel happy at that company. Efforts that must be made to maintain retention levels in the company are support from superiors, apart from superiors who provide support, co-workers also have a good impact when in a company co-workers support each other, there is development of each employee's creativity and empowering employee psychology.(Malik, F., Akhtar, S., & Ghafoor 2018)

In facing competition in the global era, companies are required to work more efficiently and effectively. Increasingly tight competition means that companies are required to be able to increase their competitiveness in order to maintain the company's survival. A company is an organization that brings together people who are usually called employees or employees to carry out the company's household production activities. Almost all companies have a goal, namely maximizing profits and value for the company, and also to improve the welfare of owners and employees. Employees or employees are the most important element in determining the progress and decline of a company. To achieve company goals, employees are needed who meet the company's requirements, and must also be able to carry out the tasks determined by the company. Every company will always try to improve the performance of its employees, with the hope that the company's goals will be achieved.

The phenomenon that occurs at the Tk III Dr. Reksodiwiryo Padang Army Hospital is the lack of leadership assertiveness in managing employees so that employees behave less well in the organization, and employee performance is also still not good in carrying out their work so that people complain about the services provided by the organization but the parties an organization cannot just dismiss without procedures, so the organization must report the employee's poor work before they can dismiss them, if an employee makes a fatal mistake then they can dismiss them, but there are still some employees who are retained even though they have made a mistake. Usually there is still a relationship between families and there are many reasons that can cause the employee to be retained.

Identification of problems

1. The quality of Human Resources has decreased and some of them work less well, thereby hampering some work and being less competent.
2. Some health employees, both nurses and doctors, are still enthusiastic about working and there are also those who are not enthusiastic, this is because employees force themselves to work even though they are still sick, there are also those who before work take care of the house and their husbands.
3. Job promotions are a definite thing in organizations, but there are still many employees who buy positions with money and not with selection and the skills they have. This happens to a small extent. Most job promotions are carried out because of the length of time the employee has worked and also because they are related to friends or relatives.

Formulation of the problem

A problem formulation is a short piece of writing that contains questions about the topic raised by the author. So, the problem formulation contains questions that the author wants to answer through his scientific writing. The formulation of the problem that occurred in this research is as follows:

1. Does Leadership have an effect on Employee Retention at the Tk III Dr. Reksodiwiryo Padang Army Hospital?
2. Does work quality affect employee retention at the Tk III Dr. Reksodiwiryo Padang Army Hospital?
3. Does leadership influence employee performance at the Tk III Dr. Reksodiwiryo Padang Army Hospital?
4. Does work quality affect employee performance at the Tk III Dr. Reksodiwiryo Padang Army Hospital?
5. Does employee retention affect employee performance at the Tk III Dr. Reksodiwiryo Padang Army Hospital?
6. Does Leadership influence Employee Performance through Retention at the Tk III Dr. Reksodiwiryo Padang Army Hospital?
7. Does work quality affect employee performance through employee retention at the Tk III Dr. Reksodiwiryo Padang Army Hospital?

LITERATURE REVIEW

Employee performance

According to(Nurjaya 2021)states that performance is the level of achievement of results for carrying out certain tasks. Company performance is the level of achievement of results in order to realize company goals.(Princess 2020)states that performance is the results of a person's or group's job functions in an organization over a certain period of time which reflects how well the person or group fulfills the requirements of a job in an effort to achieve organizational goals.

Employee Performance Indicators

According to Nurjaya (2021) states that the indicators that can measure employee performance are as follows:

1. The quantity of work output, namely all forms of the amount of labor carried out, can be seen from the results of employee performance within a certain time in completing their duties and responsibilities within the specified time.
2. Quality of work results, namely all kinds of units of measurement related to the quality or qualities of work results which can be expressed in terms of numbers or other numerical equivalents.
3. Efficiency, namely in carrying out the tasks of various resources wisely and in a cost-effective manner.
4. Work discipline, namely obeying applicable laws and regulations.
5. Initiative, namely the ability to decide and do the right thing without having to be told, being able to find what should be done about something around you, trying to keep moving to do several things even though things feel increasingly difficult.
6. Accuracy, namely the level of suitability of work measurement results, whether the work has achieved its goals or not.
7. Leadership, namely the process of influencing or giving an example by a leader to his followers in an effort to achieve organizational goals.
8. Honesty is a human trait that is quite difficult to implement.
9. Creativity, namely mental processes that involve the generation of ideas or that involve the emergence of ideas.

Employee Retention

Employee Retention acc (Mathis, R.L. Jackson 2016)is the ability of a company to retain potential employees the company has to remain loyal to the company. According to(Ragupathi. 2013)The definition of employee retention is one of the techniques used by management to keep employees in an organization for a long period of time.

Employee Retention Indicators

According to Mathis & Jackson (2016) there are 5 indicators of employee retention, including:

a. Organizational Components
   1. Values and Culture
   2. Strategy and Opportunities
   3. Well managed and results oriented.
   4. Continuity and job security
b. Organizational Career Opportunities
   1. Continuity of training
   2. Development and guidance
   3. career planning
c. Award
   1. Competitive salary and benefits

2. Differences in performance awards
3. Confession
4. Special allowances and bonuses

d. Task and Job Design
1. Responsibility and work autonomy
2. Work flexibility
3. Working conditions
4. Work/life balance

e. Employee Relations
1. Fair / non-discriminatory treatment
2. Support from supervisor / management
3. Colleague relationships

Leadership

According to(Busro 2018)states that: "Leadership is a person's ability to influence other people to work together according to plans to achieve predetermined goals. Effective leaders are able to influence their followers to have greater optimism, self-confidence, and commitment to predetermined organizational goals."(Cepi Priatna 2015)argues: "Leadership is the gradual increase in influence above mechanical compliance with routine organizational directives."

Leadership Indicators

The three dimensions and indicators of leadership according to Busro (2018) are as follows:

1. The relationship between leaders and subordinates
   a. Ability to respect the rights and obligations of each employee.
   b. Warm communication between leaders and employees.
   c. Help solve employee problems.
   d. Appreciate the results of subordinates' work.
   e. Be objective with subordinates.
2. Task structure
   a. Simplicity of work plans that can be socialized.
   b. Realization of work plans.
   c. Clarity of responsibility for work.
3. Power
   a. Ability to command subordinates.
   b. Firmness in making decisions.
   c. Developing the qualities of subordinates.

Work quality

According to (Hasibuan 2019)that work quality is a physical standard that is measured because of the results of the work carried out or carried out by employees regarding their duties. Meanwhile, according to Marcana in(Rao 2013)states that work quality is a form of

behavior or activities carried out in accordance with expectations and needs or goals that are achieved effectively and efficiently.

Work Quality Indicators

According to Hasibuan (2019) indicators of work quality are as follows:

1. Personal Potential, related to aspects of ability, strength, both not yet realized and those that have been realized, which a person has, but not yet fully visible to the maximum.
2. Optimal Work Results are the results that an employee is required to have, they must be able to provide the best work results which can be seen from the organization's productivity, quality and quantity of work.
3. Work Process, namely the most important stage where employees carry out their duties and roles through this work process.

Conceptual framework

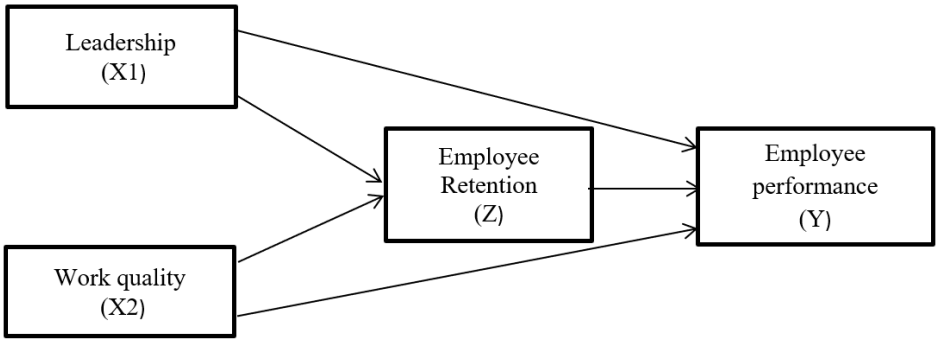

Figure 1. Conceptual Framework

Hypothesis

The hypothesis of this research is as follows:

1. Leadership has a positive and significant effect on employee retention at the Tk III Dr Reksodiwiryo Padang Army Hospital.
2. Work Quality has a positive and significant effect on Employee Retention at the Tk III Dr Reksodiwiryo Padang Army Hospital.
3. Leadership has a positive and significant effect on employee performance at the Tk III Dr Reksodiwiryo Padang Army Hospital.
4. Work Quality has a positive and significant effect on Employee Performance at the Tk III Dr Reksodiwiryo Padang Army Hospital.
5. Retention has a positive and significant effect on employee performance at the Tk III Dr Reksodiwiryo Padang Army Hospital.
6. Leadership has a positive and significant effect on employee performance through employee retention at the Tk III Dr Reksodiwiryo Padang Army Hospital.
7. Work Quality has a positive and significant effect on Employee Performance through Employee Retention at the Tk III Dr Reksodiwiryo Padang Army Hospital.

METHOD

Research Approach

The type of research that will be used is quantitative associative, namely research that aims to determine the relationship between two or more variables ((Sugiyono 2013)In this research, the exogenous variables are Leadership (X1) and Work Quality (X2). Meanwhile, the endogenous variable is Employee Performance (Y), the intervening variable is Job Retention (Z), and the dotted line is Intervening.

This research was carried out at Dr. Reksodiwiryo Hospital Padang Jl. Dr. Wahidin No.1, Ganting Parak Gadang, East Padang District, Padang City, West Sumatra 25132. This research was carried out from December 2023 to February 2024

The population in this study were people who worked at Dr. Reksodiwiryo Hospital in Padang, totaling 75 employees with the following details:

Table 1. Number of Employees at Dr. Hospital Reksodiwiryo

No	Position	Number of employees
1	PPPK	25
2	Civil servants	50

The sampling technique used was a saturated sampling technique. According to Sugiyono (2018). Saturated sampling technique is a sample determination technique when all members of the population are used as samples.Therefore, the author chose the sample using a saturated sampling technique because the population size was relatively small. Researchers will use the entire population as a sample.

Data collection technique

Based on the data source, the data used in this research is primary data, namely data sources that directly provide data to data collectors (Sugiyono, 2018). Meanwhile, in collecting data in this research, a questionnaire/questionnaire is used, namely a data collection technique that is carried out by giving a form containing several written questions to respondents to obtain answers, responses and the necessary information.

The scale used in this research is the Likert scale. The Likert scale functions to measure attitudes, opinions and perceptions of a person/group related to social phenomena (Siregar, 2014).

Data analysis technique

The data analysis technique used in this research is a quantitative data analysis method. Data analysis in this research uses Structural Equation Modeling (SEM) based on Partial Least Square (PLS) using SmartPLS 3.3.3 software which is run on a computer. PLS is a method for solving Structural Equation Modeling (SEM) which has advantages compared to other SEM techniques. SEM has a higher level of flexibility in research that connects theory and data and is able to carry out path analysis with latent variables so it is often used by

researchers who focus on social sciences. PLS is a component or variant-based structural equation model (SEM).

According to (Gozali, 2014) Partial Least Square (PLS) is a fairly strong analysis method because it is not based on many assumptions. The data also does not have to have a multivariate normal distribution (indicators with categorical, ordinal, interval and ratio scales can be used in the same model), the sample does not have to be large. Partial Least Square (PLS) can not only confirm the theory, but also explain whether or not there is a relationship between latent variables. In prediction-based research, PLS is more suitable for analyzing data. Meanwhile, according to(Ghozali, I. Latan 2012), PLS is an alternative approach that shifts from a covariance-based to a variance-based SEM approach. Covariance-based SEM generally tests causality or theory, while PLS is more of a predictive model. However, the difference between covariance-based SEM and component based PLS is in the use of structural equation models to test theory or develop theory for prediction purposes.

Measurement Model (Outer Model)

The procedure for testing the measurement model consists of a validity test and a reliability test.

1. Validity Test

The validity test is used to assess whether a questionnaire is valid or not. A questionnaire is said to be valid if the questionnaire questions are able to reveal something that is measured by the questionnaire. Validity testing is applied to all question items for each variable. There are several stages of testing that will be carried out, namely through convergent validity and discriminant validity tests.

a. Convergent Validity

At this stage, we will see how big the correlation is between the indicator and its latent construct. So that it produces a loading factor value. The loading factor value is said to be high if the component or indicator correlates more than 0.70 with the construct to be measured. However, for research in the early stages of development, a loading factor of 0.5 to 0.6 is considered sufficient(Ghozali 2014). Apart from that, at this stage we see how much value each variable has. So it produces an AVE (Average Variance Extracted) value. The AVE value is said to be high if it has a value of more than 0.5. If there is an AVE value of less than 0.5, then there is still an invalid indicator. (Ghozali, 2014).

b. Discriminant Validity

This validity test explains whether two variables are different enough from each other. The discriminant validity test can be fulfilled if the correlation value of the variable to the variable itself is greater than the correlation value of all other variables. This value is called Fornell Lacker. Apart from that, another way to fulfill the discriminant validity test can be seen in the cross-loading value (how big the correlation value is between the indicators that measure the variables). The cross-loading value is acceptable if the cross loading value of each variable statement item to the variable itself is greater than the correlation value of the statement item to other variables (Ghozali, 2014).

2. Reliability Test

In general, reliability is defined as a series of tests to assess the reliability of statement items. Reliability testing is used to measure the consistency of measuring instruments in measuring a concept or measure the consistency of respondents in answering statement items in questionnaires or research instruments. To measure the level of reliability of research variables in PLS, you can use the alpha coefficient value or Cronbach's alpha and composite reliability). Cronbach's alpha value is recommended to be greater than 0.7 and composite reliability is also recommended to be greater than 0.7. ((Now 2014).

Structural Model (Inner Model)

This test was carried out to determine the relationship between exogenous and endogenous constructs which have been hypothesized in this research(Hair et al 2017). To produce inner model test values, the steps in SmartPLS are carried out using the bootstrapping method. The structural model was evaluated using R-square for the dependent variable, Stone-Geisser Q-square test for predictive elevation and t test as well as the significance of the structural path parameter coefficients with the following explanation:

1. Coefficient of Determination / R Square (R2)

In assessing the model with PLS, start by looking at the R-square for each dependent latent variable. The interpretation is the same as the interpretation of regression. Changes in the R-square value can be used to assess the influence of certain independent latent variables on the dependent latent variable whether they have a substantive influence (Ghozali, 2012). The R2 value is generally between 0 and 1.

2. Predictive Relevance (Q2)

This test is used to measure how well the observation values are produced by the model and also the estimated parameters. If the Q2 value is greater than 0, it indicates the model has predictive relevance, which means it has good observation value, whereas if the value is less than 0, it indicates the model does not have predictive relevance (Ghozali, 2014).

3. t-Statistics

At this stage it is used for hypothesis testing, namely to determine the significance of the relationship between variables in the research using the bootstrapping method. In the full model, Structural Equation Modeling, apart from confirming the theory, also explains whether or not there is a relationship between latent variables (Ghozali, 2012). The hypothesis is said to be accepted if the statistical t value is greater than the t table. According to (Latan and Ghozali, 2014) the t table value criteria is 1.96 with a significance level of 5%.

4. Path Coefficient

This test is used to determine the direction of the relationship between variables (positive/negative). If the value is 0 to 1, then the direction of the relationship between variables is declared positive. Meanwhile, if the value is 0 to -1, then the direction of the relationship between the variables is declared negative.

5. Fit Model

This test is used to determine the level of suitability (fit) of the research model with the ideal model for this research, by looking at the NFI value in the program. If the value is closer to 1, the better (good fit).

RESULTS AND DISCUSSION

Outer Model Analysis

Details of the relationship between latent variables and manifest variables can be ascertained using measurement model testing, also known as external model testing. This test has reliability, discriminant validity, and convergent validity.

1. Convergent Validity

The loading factor indicates this test, the cutoff value.Average Variance..Extracted, and the cutoff value is 0.7.(AVE) is set at 0.5; values above this indicate validity. This shows that if the indicator value > 0.7 is able to explain the construct variable, then the indicator value is considered valid. The research structural model is depicted in the following figure:

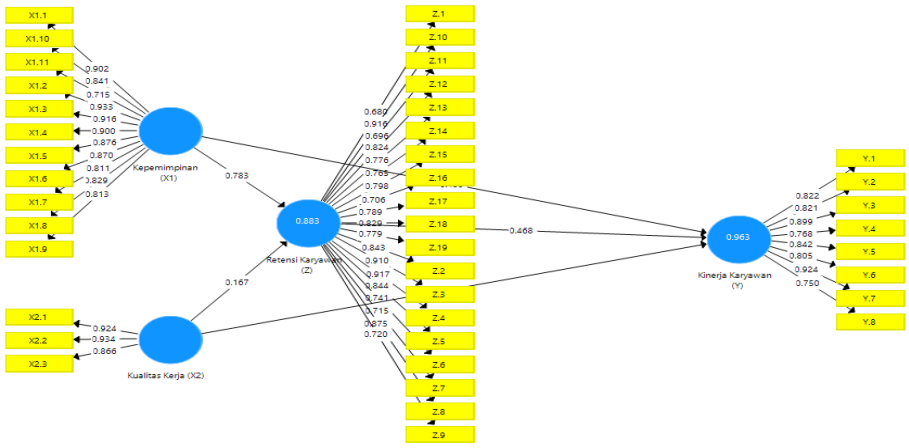

Figure 2. Outer Model
Source: Smart PLS 3.3.3

The Smart PLS output for loading factors gives the results in the following table: Outer Loadings In this research there is an equation and the equation consists of two substructures.

For substructure 1

Z = b1X1 + b2X2 + e1

Z = 0.783X1 + 0.167X2 + e1

For substructure 2

Y = b3X1 + b4X2 + b5Z + e2

Y = 0.499X1 + 0.033X2 + 0.468 Z+ e2

Table 2. Outer Loadings Stage 1

	Leadership (X1)	Employee Performance (Y)	Work Quality (X2)	Employee Retention (Z)
X1.1	0.902			
X1.10	0.933			
X1.11	0.917			
X1.2	0.900			
X1.3	0.876			
X1.4	0.870			
X1.5	0.811			
X1.6	0.829			
X1.7	0.813			
X1.8	0.841			
X1.9	0.713			
X2.1			0.925	
X2.2			0.934	
X2.3			0.864	
Y.1		0.694		
Y.2		0.854		
Y.3		0.936		
Y.4		0.949		
Y.5		0.817		
Y.6		0.763		
Y.7		0.757		
Y.8		0.887		
Z.1				0.738
Z.10				0.887
Z.11				0.736
Z.12				0.827
Z.13				0.767
Z.14				0.772
Z.15				0.799
Z.16				0.707
Z.17				0.791
Z.18				0.831
Z.19				0.773
Z.2				0.816
Z.3				0.791
Z.4				0.884
Z.5				0.776
Z.6				0.829

Z.7				0.797
Z.8				0.913
Z.9				0.727

Source: Smart PLS 3.3.3

In the table above there is a value for each variable, it is stated that the indicator for each variable is higher than 0.7, which means that each indicator item has a value higher than 0.7 so the data is declared valid and can continue with further research, but In the table above there are indicator items whose value is less than 0.7, namely the indicator in variable Y, namely Y.1, therefore we will carry out a recalculation without the Y.1 indicator.

Table 3. Outer Loadings Stage 2

	Leadership (X1)	Employee Performance (Y)	Work Quality (X2)	Employee Retention (Z)
X1.1	0.902			
X1.10	0.933			
X1.11	0.917			
X1.2	0.900			
X1.3	0.876			
X1.4	0.871			
X1.5	0.811			
X1.6	0.829			
X1.7	0.813			
X1.8	0.840			
X1.9	0.713			
X2.1			0.925	
X2.2			0.934	
X2.3			0.865	
Y.2		0.863		
Y.3		0.939		
Y.4		0.949		
Y.5		0.804		
Y.6		0.771		
Y.7		0.772		
Y.8		0.892		
Z.1				0.738
Z.10				0.887
Z.11				0.736
Z.12				0.826
Z.13				0.767
Z.14				0.772
Z.15				0.798

Z.16				**0.707**
Z.17				**0.791**
Z.18				**0.830**
Z.19				**0.774**
Z.2				**0.816**
Z.3				**0.792**
Z.4				**0.884**
Z.5				**0.776**
Z.6				**0.829**
Z.7				**0.797**
Z.8				**0.913**
Z.9				**0.727**

After recalculating without the Y.1 indicator, it can be seen that all the loading factor item values have values greater than 0.7, so it can be interpreted that this research is valid so further research will be carried out.

2. Discriminate Validity

To ensure indicator results that are strongly related to the construct, further research will use discriminative validity to produce valid data. Specifically, the aim is to ascertain whether the cross loading value is greater than other latent variables. The cross loading findings from the validity test are displayed in the following table:

Table 4. Discriminant Validity

	Leadership (X1)	Employee Performance (Y)	Work Quality (X2)	Employee Retention (Z)
X1.1	0.902	0.836	0.783	0.844
X1.10	**0.933**	0.892	0.832	0.869
X1.11	0.917	0.896	0.864	0.906
X1.2	0.900	0.788	0.863	0.825
X1.3	0.876	0.778	0.848	0.789
X1.4	0.871	0.774	0.855	0.797
X1.5	0.811	0.796	0.793	0.847
X1.6	0.829	0.817	0.779	0.842
X1.7	0.813	0.740	0.721	0.767
X1.8	0.840	0.738	0.746	0.801
X1.9	0.713	0.603	0.621	0.685
X2.1	0.864	0.876	0.925	0.849
X2.2	0.860	0.803	**0.934**	0.834
X2.3	0.798	0.730	0.865	0.771
Y.2	0.795	0.863	0.742	0.842

Y.3	0.850	0.939	0.846	0.877
Y.4	0.878	**0.949**	0.856	0.881
Y.5	0.764	0.804	0.692	0.832
Y.6	0.721	0.771	0.690	0.733
Y.7	0.684	0.772	0.705	0.695
Y.8	0.837	0.892	0.784	0.845
Z.1	0.762	0.679	0.698	0.738
Z.10	0.873	0.927	0.833	0.887
Z.11	0.710	0.661	0.710	0.736
Z.12	0.736	0.763	0.644	0.826
Z.13	0.736	0.758	0.786	0.767
Z.14	0.691	0.732	0.677	0.772
Z.15	0.685	0.708	0.626	0.798
Z.16	0.646	0.623	0.600	0.707
Z.17	0.713	0.715	0.635	0.791
Z.18	0.732	0.745	0.655	0.830
Z.19	0.744	0.792	0.729	0.774
Z.2	0.781	0.734	0.773	0.816
Z.3	0.848	0.781	0.842	0.792
Z.4	0.898	0.838	0.828	0.884
Z.5	0.703	0.714	0.635	0.776
Z.6	0.780	0.862	0.744	0.829
Z.7	0.754	0.796	0.735	0.797
Z.8	0.929	0.914	0.813	**0.913**
Z.9	0.706	0.643	0.672	0.727

In the table above there is a cross loading factor for the leadership variable, there is a cross loading factor value that is greater than the cross loading factor for other variables. The cross loading factor for the employee performance variable shows a value whose loading factor is greater than the value of the other cross loading factors. The work quality variable has a result that is greater than the cross loading factor value for the cross loading factor value for other variables, for the employee retention cross loading factor there is a value that is greater than the cross loading factor value for the other variables. This means that this research is discriminantly valid.

3. Composite reliability

Each variable in composite reliability research is compared for its reliability value; if the variable value is higher than 0.60 then the research is considered reliable; if it is between 0.60 and 0.7, then no. The table below shows several blocks used to assess the validity and reliability of research, including the AVE value, Composite Reliability, and Coranbach alpha value:

Table 5. Construct Reliability and Validity

	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
Leadership (X1)	**0.963**	**0.968**	**0.735**
Employee Performance (Y)	**0.939**	**0.951**	**0.737**
Work Quality (X2)	**0.893**	**0.934**	**0.825**
Employee Retention (Z)	**0.968**	**0.971**	**0.640**

Each variable in the table above has a value better than 0.7 in the Cronbach alpha column, which shows that the reliability data for this variable is consistent. Because the data is more than 0.6, it can be explained that each variable is considered reliable in the Composite Reliability column whose value is greater than 0.6. Each variable in the AVE column has a value greater than 0.7, this indicates that the data is valid according to the AVE standard. Because all variables in the reliability, AVE, and Cronbach alpha columns each have values greater than 0.7 and 0.6, they are all considered valid and reliable.

Inner Model Analysis

Evaluation of the structural model (inner model) is carried out to ensure that the basic model created is strong and correct. The inspection stages carried out in the primary model assessment can be seen from several markers, namely:

1. Coefficient of Determination (R2)

By using the SmartPLS 3.0 application to process the data, here's how to determine the R Square value:

Table 6. R Square Results

	R Square	Adjusted R Square
Employee Performance (Y)	0.912	0.909
Employee Retention (Z)	0.914	0.911

In the table above there is an R square value for employee performance of 0.912 with a percentage of 91.2%, meaning that the influence of Leadership, Work Quality and Employee Retention is 91.2%, the remainder is in other variables. The R square value of the employee retention variable is with an r square value of 0.914 and if the percentage is 91.4%, it means that the influence of Leadership and Work Quality is 91.4%, the rest is on other variables.

3. Hypothesis Testing

After assessing the inner model, the next thing is to assess the connection between the idle builds as suspected in this review. Speculation testing in this review was carried out by

looking at T-Statistics and P-Values. Speculation was announced admitting whether T-Insights values > 1.96 and P-Values < 0.05. Next are the consequences of the direct impact Path Coefficient:

Table 7. Path Coefficients (Direct Influence)

	Original Sample (O)	T Statistics (| O/STDEV |)	P Values
Leadership (X1) -> Employee Performance (Y)	0.059	0.351	**0.725**
Leadership (X1) -> Employee Retention (Z)	0.841	4,322	**0,000**
Work Quality (X2) -> Employee Performance (Y)	0.126	1,061	**0.289**
Quality of Work (X2) -> Employee Retention (Z)	0.123	0.617	**0.538**
Employee Retention (Z) -> Employee Performance (Y)	0.783	5,918	**0,000**

1. Leadership has a positive and insignificant effect on employee performance with an original sample value of 0.059 and a p value of 0.725. Which means that leadership does not really influence employee performance, but in this study the hypothesis was not accepted so it can be interpreted that this research has significant value in other research, this research does not agree with the research of Muizu et al. (2017) shows that leadership has a positive and significant effect on employee performance where employee performance is influenced by leadership to a greater extent than other variables.
2. Leadership has a positive and significant effect on employee retention with an original sample value of 0.841 and a p value of 0.000, meaning that in this study good leadership will increase employee retention in the organization. If good leadership increases, employee retention will increase and if leadership decreases, employee retention will decrease. . This research is comparable to research by Oktavianti (2019) which shows that leadership style has a partial effect on employee retention.
3. Work Quality has a positive and insignificant effect on employee performance with an original sample value of 0.126 and a p value of 0.289, which means that this research is rejected. It can be interpreted that in this research, work quality does not guarantee that employee performance will be good and not necessarily employees whose work quality is not good. If you have good performance, there must be employees who are hard workers even though the quality of their work is still not good. This research is not in line with research proposed by Siagian (2012) who stated that work quality is a systematic effort in organizational life through which employees are given the opportunity to play a role in determining the way they work and the contributions they make to the organization in order to achieve its goals and various targets. .
4. Work Quality has a positive and insignificant effect on Employee Retention with an original sample value of 0.123 and a p value of 0.538, meaning this research is rejected.

If discussed in this research, it means that work quality is still able to increase employee job retention in the organization, but it is not significant, so it will change the situation of work quality on employee retention, but this research is the first to be carried out to find out the effect of work quality on employee retention. get results that are not significant so it can be concluded that the quality of employee retention will not have an effect when compared, but if other research gets significant results then this research can be rejected in its entirety and make the other research good research.

5. Employee retention has a positive and significant effect on employee performance with a value of 0.783 and a p value of 0.000, meaning that if retention increases, employee performance will increase and conversely, if employee retention decreases, employee performance will also decrease.These results are in line with the results of research conducted by Al Kurdi et al., (2020) showing that talent management will produce consistent employee retention and consistent employee retention will result in optimal employee performance.

Table 8. Path Coefficients (Indirect Influence)

	Original Sample (O)	T Statistics (| O/STDEV |)	P Values
Leadership (X1) -> Employee Retention (Z) -> Employee Performance (Y)	0.658	3,642	**0,000**
Work Quality (X2) -> Employee Retention (Z) -> Employee Performance (Y)	0.096	0.614	**0.540**

1. Leadership influences employee performance through employee retention positively and significantly with an original sample value of 0.658 and a p value of 0.000, meaning that retention is an intervening variable because it can influence leadership indirectly on employee performance, meaning that good leadership indirectly increases employee retention and employee performance also increases significantly.
2. Work Quality has an indirect effect on Employee Performance through Employee Retention which is positively insignificant with an original sample value of 0.096 and a p value of 0.540, meaning that in this study it shows that employee retention is not an intervening variable because it cannot influence work quality and employee performance.

CLOSING

Conclusion

The conclusions of this research are as follows:

1. Leadership has a positive and insignificant effect on employee performance with an original sample value of 0.059 and a p value of 0.725.
2. Work Quality has a positive and insignificant effect on Employee Retention with an original sample value of 0.123 and a p value of 0.538.

3. Work Quality has a positive and insignificant effect on employee performance with an original sample value of 0.126 and a p value of 0.289.
4. Employee retention has a positive and significant effect on employee performance with a value of 0.783 and a p value of 0.000.
5. Leadership has a positive and significant effect on employee retention with an original sample value of 0.841 and a p value of 0.000.
6. Leadership influences employee performance through employee retention positively and significantly with an original sample value of 0.658 and a p value of 0.000.
7. Work Quality has an indirect and insignificant effect on Employee Performance through Employee Retention, with an original sample value of 0.096 and a p value of 0.540.

Suggestion

Suggestions from this research are as follows:

1. Organizations can be good leaders for employees in order to create good job retention for employees and create quality of work that improves to be even better than before so that employee performance also increases.
2. For employees to be able to follow the leader's directions if the direction is correct and can argue and provide opinions if the direction is not correct and improve performance and work quality to be better so that employee reviews will increase for employees.

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