

Research Article

Analysis of the Influence of Leadership, Quality of Human Resources, and Competency on the Performance of Service Providers in Participating the Goods/Service Procurement Process in Demak District With Innovative Work Behavior As an Intervening Variable

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Abstract.

This research aims to analyze the influence of leadership, quality of human resources, and competence on the performance of service providers in following the goods/services procurement process in Demak district, with innovative work behavior as an intervening variable. The sample determined in this research was 100 service providers as respondents. Data collection methods was a questionnaire. Instrument testing was done using validity tests and reliability tests. Data analysis was done using S analysis *Structural Equation Modelling* (SEM) with Structural Moment Analysis (AMOS). Results show that : leadership has a positive and significant effect on innovative work behavior; HR quality has a positive and significant effect on innovative work behavior; competency has a positive and significant effect on innovative work behavior; leadership has a positive and significant effect on service provider performance; HR quality has a positive and significant effect on provider performance services; competence has a positive and significant effect on the performance of service providers; and innovative work behavior has a positive and significant effect on the performance of service providers. Innovative work behavior is unable to mediate the influence between competence on service provider performance, leadership on performance, and HR quality on performance.

Keywords: leadership, quality of human resources, competence, innovative work behavior, service provider performance

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Published: 4 June 2024

Publishing services provided by Knowledge E

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Selection and Peer-review under the responsibility of the ICEMA Conference Committee.

1. INTRODUCTION

Human resources have a very important role in determining the success of a company/organization. Human resources are all individuals who work in an organization or company. Quality human resources can be a major factor in creating and maintaining a competitive advantage (Darmadi, 2022). They help organizations to innovate, develop, and compete better with similar organizations in the market. So, it can be said that

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human resources are not just the workforce but, the main driver of the growth and development and success of an organization.

Business entities in the form of a CV (Commanditaire Vennootschap) or also in the form of a PT (Limited Liability Company), owners of business entities in the form of a CV or PT certainly understand how important the role of human resources is in achieving goals success. Business entities or companies are involved in the process of procuring Goods/Services. Procurement is the act of acquiring goods or services, usually for business purposes (Dhamayanti, 2022). They act as intermediaries between producers or suppliers and consumers or clients. In the context of a company like this, quality human resources are very important.

The success of an organization can be seen from its ability to highlight its advantages compared to other similar organizations. The success or failure of a company can also be influenced by the performance of the employees in the company. Employee performance is an evaluation or assessment of how an employee or team member carries out their duties and responsibilities in an organization or company (Syam, 2020). Employee performance includes the extent to which individuals achieve targets, meet quality standards, and contribute to overall company goals. The better the performance of employees in a company, the targets the company wants to achieve will be achieved and bring profits to the company.

Employee performance has an impact on the level of contribution they make to the organization, including aspects such as the amount of work output, quality of work output, production speed, presence at work, and cooperative attitude. Achieving an optimal level of employee performance is not easy, because to create superior performance it is necessary to accommodate variables that influence employee performance which must be managed and accepted by all employee members in the company (Rizal Nabawi, 2019).

One of the variables that influences employee performance is the leadership factor. Leadership is a process where a person or group of people (leader) guides, directs, and influences other people (subordinates or team members) to achieve certain goals or visions (Muizu, WO, 2019). Leadership involves various activities such as decision making, communication, motivation, and management of resources to achieve desired results. Leaders have the ability to influence ethics, job satisfaction, level of security, quality of the work environment, and especially the performance of a company (Thamrin, 2020).

Effective leadership has a very important role in guiding an organization to success. A leader who is able to make the right decisions, has a clear vision, and is able to

inspire his team can help an organization achieve its goals more efficiently. Research (Jumady E., et al., 2022) shows that leadership has a positive and significant effect on the performance of South Sulawesi Province Library and Archives Service employees. Likewise with research (Kirana KC, Pradipta AS, 2021). However, research (Marjaya, I & Pasaribu, F, 2019) shows that performance has a negative and insignificant effect on employee performance.

Apart from leadership factors, human resource quality factors can also influence employee performance. The quality of human resources is an individual in an organization who makes a valuable contribution in achieving organizational goals with aspects of skills determined by the level of education, honesty and experience. Human resource quality refers to the level of competence, skills, knowledge and productivity of individuals in an organization or society. The quality of Human Resources (HR) is the main prerequisite for achieving optimal performance. Each individual is expected to improve their personal qualities to encourage the achievement of organizational goals (Faizi, A, et al, 2022). The quality of Human Resources does not only depend on aspects of skills or physical strength, but is also influenced by the level of education, knowledge, experience, maturity and attitude of the individual (Lubis, FRA, et al, 2019). Quality human resources in accordance with job needs will be able to improve employee performance. Research (Faizi, 2022) shows that the quality of human resources has a positive and significant effect on employee performance at the Lampung Province Inspectorate.

Then, competency factors also influence employee performance. Competency refers to a person's basic attributes that influence the extent of his success in carrying out a job or in a certain situation. Currently, in a number of government agencies, generally many employees do not have an adequate level of competency. This is caused by workload that does not prioritize increasing competency as a principle that must be adhered to by employees. Apart from that, employees are often placed in fields that do not match their educational background. Limited competence of an employee will certainly have a negative impact on the quality of public services provided (Maulana, 2023). Competency does not only include skills, knowledge and attitudes, but what is most important is the ability to apply the skills, knowledge and attitudes possessed in accordance with predetermined performance standards (Muslimah, 2016). Research (Makawi U., et al., 2015) shows that competence influences the performance of employees of the Banjarmasin City Industry and Trade Service. This means that the better the competency, the greater the performance.

On the other hand, innovative performance behavior can also influence employee performance. Innovative work behavior is the intention to generate, introduce and implement new ideas in a team or organization with the aim of improving team and organizational performance. Research (Sujarwo A. & Wahjono., 2017) shows that innovative behavior has a significant positive effect on employee performance. However, research (Khodir A. & Makmur, 2020) shows that innovative work behavior does not have a significant effect on the performance of Rokan Hulu Regency Civil Service Police Unit employees. Thus, research with the same variables but different research results, this is because the indicators and subjects are different in the research, so further research needs to be carried out in order to strengthen the results of existing research.

2. LITERATURE REVIEW

2.1. Leadership

Siagian (2014) states that leadership is a person's ability to influence other people (subordinates) in such a way that other people are willing to carry out the leader's wishes even though they personally may not like it. Mangkunegara (2017) states that leadership is a process of influencing the behavior of other people so that they behave according to their wishes. Leadership behavior is a leadership style that focuses not on the nature of the leader but on the interactions between the people around him and a group of subordinates. Leadership behavior is the behavior or method chosen and used by the leader to influence the leader's thoughts, feelings, attitudes and behavior

2.2. Quality of HR

The quality of human resources consists of two syllables, including the word quality, which generally means the level of good or bad or the level or degree of something. According to Sedarmayanti (2017), quality is a measure that states the extent to which various requirements, specifications, and expectations have been met.

2.3. Competence

Competency, or ability is an important element in supporting employee performance in an organization. Employees who have good abilities can support the achievement of the organization's vision and mission to immediately progress and develop rapidly to

face increasingly advanced global competition. Moeheriono (2014) defines competence “as the underlying characteristics of a person that are related to the effectiveness of an individual’s performance in his or her work or the basic characteristics of an individual that have a causal relationship with the criteria used as a reference, effective or excellent, or superior performance in the workplace, or in certain situations”.

2.4. Innovative Work Behavior

Scott & Bruce (1994) Innovative work behavior is a gradual process of recognizing a problem, generating an idea or solution, building support for the idea, and implementing the idea. Based on the opinions of these experts, it is concluded that innovative work behavior is a series of individual behaviors that lead to the exploration, emergence, introduction, and application of new ideas within a group or organization regarding methods, processes, products, or services that are of value to the organization. De Jong (2006) The construct of innovative work behavior is four-dimensional and consists of opportunity exploration, idea generation, struggle, and implementation. When examining the construct dimensions of innovative work behavior, opportunity exploration is a very important concept because it involves individuals in identifying identifiable gaps that need to be filled to improve organizational performance.

2.5. Show

In its development, many definitions of performance and factors that influence employee performance have been discovered. For example, according to Henry Simamora (2019), employee performance is defined as the level of employee work in achieving the job requirements given. Performance is the result of employee work, both quality and quantity, based on predetermined work standards. Performance is organizational behavior that is directly related to the production of goods or the provision of services. Performance is often defined as the achievement of tasks, where the term task itself comes from thinking about the activities required by workers. According to Mangkuningara (2018), performance is the work result that can be achieved by an employee in carrying out his duties in accordance with the responsibilities given to him.

3. RESEARCH CONCEPTUAL FRAMEWORK AND HYPOTHESIS

3.1. Framework

A thinking framework (also called a theoretical framework) is a conceptual or theoretical structure used to compile and organize information in research or study. This framework describes the relationship between exogenous variables, namely Leadership (X1), HR Quality (X2) and Competency (X3), as well as the intervening variable, namely Innovative Work Behavior (Z), with the endogenous variable, namely Performance (Y). The reasons for this research are explained as follows:

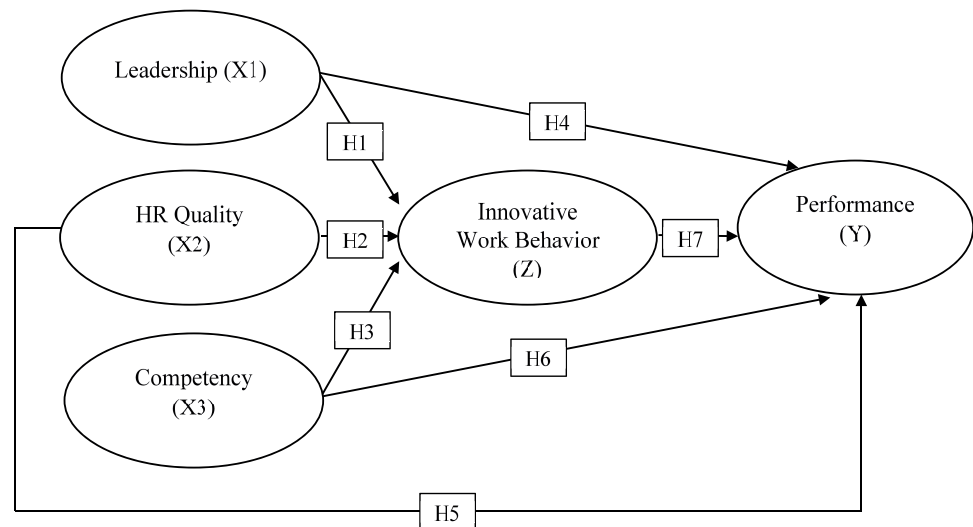


Figure 1: Research Conceptual Framework.

3.2. Influence Between Variables

3.2.1. The Influence of Leadership on Innovative Work Behavior

Leadership is the use of duties and authority directed at subordinates to carry out work to achieve organizational goals (Singarimbun, 2016). An effective leader has the ability to motivate, inspire, and guide his team members to think creatively, create new solutions, and generate innovative ideas. Good leadership also encourages the formation of a work culture that facilitates and maintains an atmosphere that supports innovation. Research conducted by (Esha D. & Dwipayani W., 2020) shows that the research results show that leadership variables have a positive and significant effect on innovative work behavior in Industry 4.0. Apart from that, (Fathiyah et al., 2022) also show

that transformational leadership has a positive and significant influence on innovative work behavior in DPMPSTP Muaro Jambi Regency. Likewise, research (Etikariena A., 2020) shows that leadership actually contributes to the formation of innovative work behavior among employees in digital-based organizations.

H1: Leadership has a positive and significant effect on innovative work behavior.

3.2.2. The Influence of HR Quality on Innovative Work Behavior

The quality of human resources is an individual in an organization who makes a valuable contribution to achieving organizational goals with skill aspects determined by the level of education, honesty, and experience (Sularso, 2004). HR quality includes aspects such as education level, work experience, technical skills, analytical abilities, and adaptability. When employees have quality human resources, they tend to be more able to think creatively, identify new opportunities, and create innovative solutions.

HR quality is not only related to technical aspects or work skills but also includes the ability to work collaboratively, communicate effectively, and have an open attitude towards change and new ideas. Research conducted by (Ilmawan MRB and Fajrianti., 2021) shows that there is a significant influence of Quality (Quality of Working Life) on innovative work behavior.

H2: HR quality has a positive and significant effect on innovative work behavior.

3.2.3. The Influence of Competency on Innovative Work Behavior

Competency refers to a person's basic attributes that influence the extent of his success in carrying out a job or in a certain situation (Ratnamasih, I, et al., 2012). Competencies include a number of factors, such as technical skills, knowledge of a particular industry or field of work, analytical skills, and problem-solving abilities. Employees with a high level of competency are more likely to contribute innovative ideas, create new solutions, and actively participate in the innovation process. Competencies also include the ability to communicate effectively, work together in a team, and have strong interpersonal skills. These skills also play an important role in supporting innovative work behavior. The higher the competency an employee has, the more innovative the employee's work behavior will be.

H3: Competence has a positive and significant effect on innovative work behavior.

3.2.4. The Influence of Leadership on Employee Performance

Leadership is the way a leader influences the behavior of his subordinates, so that they are willing to cooperate and work productively to achieve organizational goals (Hasibuan, 2016). Leadership is a way for a leader to influence the behavior of his subordinates so that they want to cooperate and work productively to achieve organizational goals. An effective leader has the ability to motivate, guide and inspire his team or subordinates to achieve organizational goals. Different leadership styles can have different influences on employee performance. The better the leadership style applied in a company, the greater the impact it will have on improving employee performance. Research (Jumady E., et al., 2022) shows that leadership has a positive and significant effect on the performance of South Sulawesi Province Library and Archives Service employees. Likewise, research (Kirana KC, Pradipta AS, 2021) shows that leadership has a positive and significant effect on employee performance.

H4: Leadership has a positive and significant effect on employee performance

3.2.5. The Influence of HR Quality on Employee Performance

Quality Human Resources are workers who have high knowledge, skills, and moral competence (Pasolong, 2013). HR quality includes aspects such as education level, work experience, technical skills, analytical abilities, and adaptability. When employees have quality human resources, they tend to be better to fulfill their job demands. HR qualities also include the ability to communicate effectively, collaborate in teams, and have an open attitude towards change and development. This ability also influences the extent to which an employee can perform well in the organization. Quality human resources in accordance with job needs will be able to improve employee performance. Research (Faizi, 2022) shows that the quality of human resources has a positive and significant effect on employee performance at the Lampung Province Inspectorate.

H5: HR quality has a positive and significant effect on employee performance

3.2.6. The Influence of Competency on Employee Performance

Competence is a basic personal characteristic that is a determining factor in whether a person is successful in carrying out a job or in a certain situation (Moehariono, 2014). Competencies encompass a variety of factors, including technical skills, knowledge of a particular industry or job field, analytical skills, and problem-solving abilities. Employees

who have high competence tend to be able to fulfill job demands well. Competent employees also tend to have a higher level of job satisfaction because they feel competent in carrying out their duties. Competencies play a key role in improving employee performance and their contribution to the overall success of the organization. Research (Makawi U. et al., 2015) shows that competence influences the performance of employees of the Banjarmasin City Industry and Trade Service. This means that the better the competency, the greater the performance.

H6: Competence has a positive and significant effect on employee performance

3.2.7. The Influence of Innovative Work Behavior on Employee Performance

Innovative work behavior is the intention to generate, introduce, and implement new ideas in a team or organization with the aim of improving team and organizational performance (Helmi, 2011). Innovative work behavior includes a variety of actions that demonstrate the ability to think creatively, create new ideas, participate in positive change efforts, and collaborate with coworkers to advance organizational goals. The higher the employee's innovative behavior, the higher the employee's performance, which will have an impact on the company's success. Research (Sujarwo A. & Wahjono., 2017) shows that innovative behavior has a significant positive effect on employee performance. Apart from that, Sinarga ATI (2023) also shows that innovative work behavior has a positive and significant influence on ASN performance.

H7: Innovative work behavior has a positive and significant effect on employee performance

4. RESEARCH METHODS

The sample determined in this research consisted of 100 service providers as respondents. **Data Collection Method by collecting questionnaires. Instrument testing uses validity tests and reliability tests.** Research analysis was carried out to analyze the results of instrument trials consisting of validity tests and reliability tests. The data analysis used is Structural Equation Modelling (SEM) which is operated through the AMOS program. SEM

5. RESEARCH RESULT

5.1. Respondent Identity

Respondent characteristics based on gender, age, education and occupation

TABLE 1: Respondent Identity.

NO	Gender	Amount	Percentage
1	Man	68	68.0
2	Woman	32	32.0
	Amount	100	100.0
	Age		
1	18-22 years old	1	1.0
2	23-27 years old	5	5.0
3	28-32 years old	23	23.0
4	33-37 years old	31	31.0
5	Over 37 years	40	40.0
	Amount	100	100.0
	Education		
1	D1-D3	18	18.0
2	S1	42	42.0
3	S2	2	2.0
4	elementary school	1	1.0
5	SENIOR HIGH SCHOOL	34	34.0
6	JUNIOR HIGH SCHOOL	2	3.0
	Amount	100	100.0

Source: Processed primary data in 2023.

In the field of measurement, there are two big concepts that researchers use as further requirements so that advanced analysis instruments and data collection can be accepted, namely through the validity and reliability stages. The results of the analysis are explained in Tables 2 and 3.

5.2. Test Research Instruments

5.2.1. Convergent Validity Test

A measurement can be said to be valid if an item has a correlation coefficient of at least 0.5. The results of the Convergent Validity test on product quality variables are presented in Table 2.

TABLE 2: Convergent Validity Test.

			Estimate Stage 2 (Valid)	Results
X1_2	<—	Leadership	0.734	Valid
X1_6	<—	Leadership	0.798	Valid
X1_7	<—	Leadership	0.800	Valid
X1_8	<—	Leadership	0.693	Valid
X1_11	<—	Leadership	0.754	Valid
X1_12	<—	Leadership	0.828	Valid
X1_13	<—	Leadership	0.728	Valid
			Estimate Stage 2 (Valid)	Results
X2_3	<—	HR_Quality	0.722	Valid
X2_4	<—	HR_Quality	0.777	Valid
X2_11	<—	HR_Quality	0.743	Valid
X2_12	<—	HR_Quality	0.870	Valid
X2_13	<—	HR_Quality	0.786	Valid
X2_14	<—	HR_Quality	0.736	Valid
X2_15	<—	HR_Quality	0.752	Valid
			Estimate Stage 2 (Valid)	Results
X3_3	<—	Competence	0.730	Valid
X3_4	<—	Competence	0.829	Valid
X3_5	<—	Competence	0.811	Valid
X3_6	<—	Competence	0.760	Valid
X3_7	<—	Competence	0.794	Valid
X3_13	<—	Competence	0.815	Valid
			Estimate Stage 2 (Valid)	Results
Y1_6	<—	Innovative Work Behavior	0.779	Valid
Y1_7	<—	Innovative Work Behavior	0.740	Valid
Y1_8	<—	Innovative Work Behavior	0.750	Valid
Y1_9	<—	Innovative Work Behavior	0.804	Valid
Y1_10	<—	Innovative Work Behavior	0.803	Valid
Y1_11	<—	Innovative Work Behavior	0.793	Valid
Y1_14	<—	Innovative Work Behavior	0.803	Valid
			Estimate Stage 2 (Valid)	Results

TABLE 2: Countinued.

			Estimate Stage 2 (Valid)	Results
Y2_1	<—	Show	0.805	Valid
Y2_2	<—	Show	0.774	Valid
Y2_3	<—	Show	0.854	Valid
Y2_5	<—	Show	0.816	Valid
Y2-6	<—	Show	0.772	Valid
Y2-7	<—	Show	0.720	Valid
Y2-10	<—	Show	0.719	Valid

Source: Processed primary data, 2023.

The test results show that all loading factor values on the variables of leadership, human resource quality, competency, innovative work behavior, and Regression Weight performance show a value of more than 0.5, which means that all questions in the second stage are said to meet the requirements. legitimate.

Apart from testing convergent validity, a research instrument requires another test, namely reliability. Testing the reliability of research questionnaires is intended to find out or analyze whether the questionnaire used for each variable studied is declared reliable. In reliability testing, the construct value is declared reliable if it provides a construct liability value greater than 0.70. The reliability test results are presented in Table 3. The purpose of construction reliability testing is to demonstrate the reliability and consistency of the data. The results of the construct reliability test are presented in Table 3

TABLE 3: Construct Reliability Test.

NO	Variable	Build reliability	0.70	Information
1	Leadership	0.907	0.70	Reliable
2	Quality of HR	0.911	0.70	Reliable
3	Competence	0.922	0.70	Reliable
4	Innovative_Work Behavior	0.917	0.70	Reliable
5	Show			

Source: Processed questionnaire results, 2023.

5.3. Confirmatory analysis of all variables

The results of the conformational analysis of the four research variables, namely leadership, quality of human resources, competence, innovative work behavior and performance can be seen in the analysis output graph using the AMOS 22 program below:

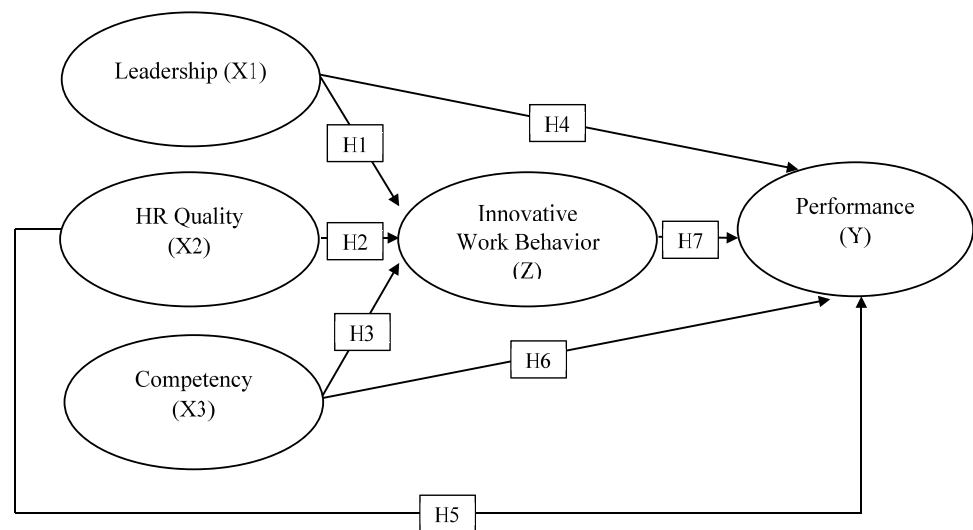


Figure 2: Full Conformation Model. Source: AMOS Output Results for 2023.

TABLE 4: Goodness of Fit Test of Measurement Model Variable Model.

Kind from Index	Limit Value	Model results	Information
square chi Df = 584	≤ 641,328	621.111	Good
CMIN/DF	≤ 2.00	1,064	Good
Possibility	≥ 0.05	0.139	Good
GFI	≥ 0.90	0.757	Marginal
AGFI	≥ 0.90	0.723	Marginal
TLI	≥ 0.90	0.983	Good
Finance	≥ 0.90	0.984	Good
RMSEA	≤ 0.08	0.025	Good

Source: Analysis Results (2023).

Based on Table 4, the CFI value is 0.984, the RMSEA value is 0.025, the GFI value is 0.757, the AGFI value is 0.902, the TLI value is 1.024, and the chi square value is 162.898 with a CMIN/DF value of 1.064, probability 0.139. This shows that the suitability test of this model produces good acceptance.

TABLE 5: Direct Effect Estimation Results.

Influence		Research variable	Estimate
Innovative_Work_Behaviou	<—	Leadership	,270
Innovative_Work_Behaviou	<—	HR_Quality	,562
Innovative_Work_Behaviou	<—	Competence	,224
Show	<—	Leadership	,245
Show	<—	HR_Quality	,265
Show	<—	Competence	,193
Show	<—	Innovative_Work_Behaviou	,349

Source: 2023 AMOS Calculation Results.

Referring to the results of final stage testing of the model as a whole, the mathematical model equation can be written in the form of a Structural Equation Model (SEM) as follows:

$$Y1 = 0.270 X1 + 0.562 X2 + 0.224 X3$$

$$Y2 = 0.245X1 + 0.265X2 + 0.193X3 + 0.349Y1$$

The coefficient of determination (R2) produced from the structural equation model to express the magnitude of influence given to the dependent variable from the independent variables associated with each influence path shows the following results:

TABLE 6: Coefficient of determination (Square Multiple Correlation).

Variable	Estimate
Innovative Work Behavior	0.802
Show	0.825

Source: Analysis Results, 2023.

Hypothesis testing is carried out to determine whether there is an influence of the independent variable on the dependent variable. The hypothesis is declared accepted if the probability value (P) is <0.05.

Hypothesis testing in this study gave the following results:

5.4. Direct and Indirect

Based on the data in Table 8, innovative work behavior cannot be an intervening variable for the three variables, namely the influence of leadership on performance, the quality of human resources on performance, and competence on performance. This is due to the fact that: 1) There is strong leadership in influencing performance, but the culture

TABLE 7: Scalar Estimation (Group number 1 - Default model) Maximum Likelihood Estimation.

		Estimate	S.E	Cr	P
Innovative_Work_Bel	<- Leadership	,270	,112	2,960	,003
Innovative_Work_Bel	<- HR_Quality	,562	,128	5,136	,000
Innovative_Work_Bel	<- Competence	,224	,115	2,854	,004
Show	<- Leadership	,245	,118	2,597	,009
Show	<- HR_Quality	,265	,151	2,088	,037
Show	Competence	,193	,119	2,420	,016
Show	Innovative_Work_Bel	,349	,165	2,140	,032

Source: 2023 AMOS Calculation Results.

TABLE 8: Hypothesis Test Results.

Hypothesis	Statement	Direct Results	Impact	Information
H1	Leadership has a positive and significant effect on innovative work behavior	CR 2,960 > 1,645 signature. 0.003 < 0.05		Accepted
H2	The quality of human resources has a positive and significant effect on innovative work behavior	Kr 5,136 > 1,645 signature. 0.042 < 0.05		Accepted
H3	Competence has a positive and significant effect on innovative work behavior	CR 2,854 > 1,645 signature. 0.004 < 0.05		Accepted
H4	Leadership has a positive and significant effect on performance	Cr. 2,597 > 1,645 signature. 0.009 < 0.05		Accepted
H5	Work quality has a positive and significant effect on performance	CR 2,088 > 1,645 signature. 0.037 < 0.05		Accepted
H6	Competence has a positive and significant effect on performance	CR 2,420 > 1,645 signature. 0.016 < 0.05		Accepted
H7	Innovative work behavior has a positive and significant effect on performance	Kr 2,140 > 1,645 signature. 0.032 < 0.05		Accepted

Source: 2023 data processing results.

of innovation in the organization is not yet integrated and supports innovative work behavior. If organizational culture does not encourage employees to think creatively or try new ideas, then innovative work behavior will not develop. 2) In organizations that prioritize or place more emphasis on other factors that contribute to performance, such as operational processes or business strategy, and do not pay enough attention

TABLE 9: Estimation Results of Direct and Indirect Effects.

	Competence	HR_Quality	Leadership
Show (Direct)	,193	,265	,245
Show (Indirect) through innovative work behavior	,078	,196	,094
Information	Intervention is not significant	Intervention is not significant	Intervention is not significant

Source: 2023 AMOS Calculation Results

to innovative aspects or do not provide space for innovation, employees may not feel encouraged to develop innovative work behaviors, so it cannot be used as an intervening variable. 3) Individual competencies should not be encouraged or integrated into the organization’s innovation culture. If there is no support or understanding of how competencies can be used to advance innovation, innovative behavior may not be developed.

6. CONCLUSIONS AND RECOMMENDATIONS

6.1. Conclusion

The conclusions in this research are as follows: Leadership variables, quality of human resources, and competence play an important role in increasing innovative work behavior. This means understanding the importance of the role of leadership, human resource quality, and competency in increasing innovative work behavior, organizations can design more effective strategies and interventions to develop a culture of sustainable innovation. This is in line with research by Suwanto (2020). Top Shape Leadership variables, the quality of human resources, and competence play an important role in improving performance. This means that performance always increases. Organizations can design appropriate development strategies and programs to ensure effective leadership, quality HR management, and sustainable employee competency development.

Innovative work behavior cannot be an intervening variable for the three variables, namely the influence of leadership on performance, quality of human resources on performance, and competence on performance. This is due to innovation the culture of innovation in the organization has not been integrated into supporting innovative work behavior, so creativity or trying new ideas does not develop innovative work behavior. Organizations that prioritize or place more emphasis on other factors that contribute to performance, such as operational processes or business strategy, and do

not pay enough attention to innovative aspects or do not provide space for innovation in developing innovative work behavior. Lack of support or understanding of competencies can be used to advance innovation, but innovative behavior does not develop.

6.2. Suggestion

1. Leadership that supports organizational culture encourages employees to think creatively or try new ideas so that innovative work behavior develops; namely, Leadership that supports innovation is key to creating a culture that encourages creativity. Leaders must lead by example, and adopt and support new ideas, and provide space for experimentation.
2. The quality of human resources is increasing. It is important to create an environment that supports innovation, provides incentives, provides training, and communicates innovative values as part of HR management. Integrating innovation into HR management practices can open up opportunities to optimize the contribution of HR quality to performance through innovative work behavior.
3. As individual competency is increasingly encouraged, HR policies need to support the development of innovative skills and reward innovative contributions. This may include performance appraisals that include elements of innovation and career development that support innovative roles.
4. For further research, Furthermore, it is hoped that other variables will be added, including other factors that can improve organizational performance, such as career development and organizational commitment, as well as expanding the research object.

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