Effect of Green Performance Appraisal and Gren Compensation and Rewards Mediated by OCBE to the Performance of Employees PT Telecommunications Indonesia International (Telin)

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Abstract:- This study aims to determine the effect of Green Performance **Appraisal** and Green Compensation and Rewards mediated bv Organizational Citizenship Behavior for the Environment (OCBE) on performance and look for the most dominant influence among the independent variables which will then become priority improvements in efforts to improve employee performance. This type of research is an explorative quantitative approach that is associative using survey methods. The sampling technique used is probability sampling using simple random sampling. The study population was employees of PT Telekomunikasi Indonesia International (TELIN) with a total sample of 75 people. Data analysis using SEM with Partial Least Square (Smart PLS) program. This study found that there was a positive and significant effect between Green Performance Appraisal and Green Compensation and Rewards mediated by OCBE on performance with the conclusion that employee performance could be improved through efforts to improve aspects of Performance Appraisal and OCBE. The effect of Green Compensation and Rewards is more dominant than the influence of the other two variables. So that improvements in the timeliness of green performance appraisal are a priority to improve employee performance.

Keywords:- Green Performance Appraisal, Green Compensation and Rewards, OCBE, Employee Performance.

I. INTRODUCTION

In the face of global competition, companies are required to work more effectively and efficiently. Increasing competition causes companies to be demanded to be able to increase competitiveness in order to maintain the company's survival. The company is one organization that brings together people who are commonly referred to as employees or employees to carry out company activities. Almost all companies have a goal that is to maximize 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 of a company. To achieve company goals, employees are needed in accordance with the requirements in the company, and also must be able to carry out tasks that have been determined by the company. Every company will always try to improve employee performance, with the hope that what the company's goals will be achieved. The ability of employees is reflected in performance. Good performance is optimal performance. The employee's performance is one of the capital for the company to achieve its goals. So that employee performance is something that should be considered by company leaders. Employees can work well if they have high performance so they can providing good work. Employee performance is one of the determining factors for the success of a company or organization in achieving its goals.

Here is the data KPI employees of PT Telin during the last 3 years ie 2016, 2017, 2018 is as follows:



Fig 1:- KPI Employees PT Telin Source: Company Data, PT Telin

Based on Figure 1 above regarding KPI Employees, the authors conducted data collection based on the results of previous research with any factors which may affect the performance of the employee. To find out what influences a decrease in employee performance, researchers are trying to conduct a preliminary investigation by way of surveys / distributing questionnaires to employees of PT Telekomunikasi Indonesia International (Telin). The questionnaire contains 10 reasons / things that cause a person fell on their performance.

II. THEORICAL REVIEW

Green Performance Appraisal

Green Performance Appraisal is employee performance appraisal of how well they are making progress towards a green environment. Ahmand in Tang et al, (2017), claiming that to managers and employees, the most important aspect of Green Performance Management is the Green Performance Appraisal, because it will affect the process and the effectiveness of the gift and subsequent compensation.

Green Compensation and Rewards

Green Compensation and Rewards can be considered as a potential tool to support environmental activities in the organization. In accordance with a strategic approach to rewards and management, modern organizations develop reward systems to encourage environmentally friendly initiatives initiated by their employees (Lenny & Ahmad: 2019). According to Mandago, (2018), Green Compensation and Rewards is a financial and non-financial reward system that aims to attract, retain, and motivate employees to contribute to green environment goals.

Organizational Citizenship Behavior Environment (OCBE)

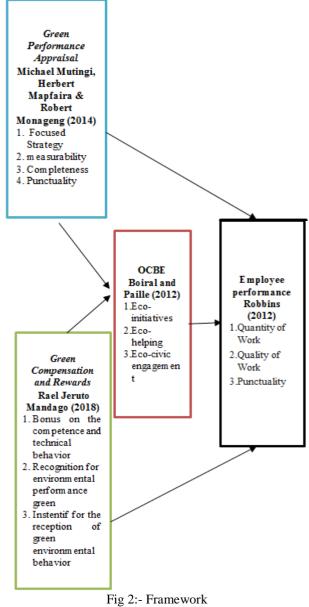
According to Boiral and Paille (2012), OCBE can be defined as an individual's social behavior and which is not explicitly recognized by the formal reward system and that it contributes to a more effective environment of management by organizations. These individual behaviors such as sharing knowledge to prevent pollution in the workplace, suggesting solutions aimed at reducing waste, representing organizations in the conference environment and collaborating with environmental departments to implement green technology.

> Employee Performance

Employee performance is the end result or goal to ensure that the activities carried out by employees and the resulting output can be aligned with company objectives. According to Robbins (2012) performance is defined as a function of the interaction between ability and motivation.

> Previous Research

The Effect of Green Performance Appraisal on Employee Performance as in the research of Michael Mutingi, Herbert Mapfaira & Robert Monageng (2014), The Effect of Green Compensation and Rewards on Employee Performance as in Rael Jeruto Mandago (2018), OCBE Effect on Employee Performance as in Boiral and Paille (2014) 2012). Based on previous theory and research, the importance of the framework as follows:



Source: Adapted Researcher, 2019

Research Hypothesis

Hypothesis 1: There is a positive and significant effect between Green Performance Appraisal on OCBE.

Hypothesis 2: There is a positive and significant effect between Green Compensation and Rewards on OCBE.

Hypothesis 3: There is a positive and significant effect between OCBE on employee performance.

Hypothesis 4: There is a positive and significant effect between Green Performance Appraisal on employee performance.

Hypothesis 5: There is a positive and significant effect between Green Compensation and Rewards on employee performance.

Hypothesis 6: There is a positive and significant effect between Green Performance Appraisal and Green

ISSN No:-2456-2165

Compensation and Rewards on employee performance.

Hypothesis 7: There is a positive and significant effect between Green Performance Appraisal, Green Compensation and Rewards, and OCBE on employee performance together.

III. RESEARCH METHODS

> Types of Research

This research is a type of causality research with a quantitative research approach. According to Sugiyono (2018), quantitative methods are called traditional methods, because quantitative methods have long been used by researchers so that they become a tradition as a method for research, then quantitative methods can be interpreted as methods based on the philosophy of positivism, used to examine certain populations or samples, data collection using research instruments, quantitative / statistical data analysis with the aim to test the hypothesis that has been set. This study entered into an associative study with the form of causal relationships so that the independent variables (variables that affect) and the dependent variable (variables that are affected) (Sugiyono: 2018). In accordance with the proposed framework, the variables of this study consisted of independent variables (independent variables), namely Green Performance Appraisal, Green Compensation and Rewards and OCBE and the dependent variable (dependent variable), namely employee performance. These variables are latent variables that cannot be measured directly, so that each of the latent variables is determined by the indicator variables.

> Population

According to Taherdoost (2016), Population is a whole series of specific where the research sample is taken. The population in this study were employees of PT Telekomunikasi Indonesia Internasional (TELIN) with a total of 300 employees.

➤ Samples

According to Sugiyono (2018), in quantitative research, the sample is part of the number and characteristics possessed by the population. If a large population and researchers may not study everything in the population, for example due to limited funds, manpower and time, then researchers can use samples taken from that population. The technique used in penentual samples is Simple Random Sampling. Simple Random Sampling is the most basic and simple sampling method. Random sampling, where each member of the population has the same opportunity to be included in the sample and where all the samples might be provided. The sample collection technique used in this study is the Slovin formula, namely:

$$n = \frac{N}{1 + Ne^2}$$

n: Sample Size

N: Total Population

e: Percentage limit of fault tolerance

By using an error rate (e) of 10%, a total of 75 samples were obtained.

> Partial Least Square (PLS)

According to Ghozali and Latan (2015), Partial Least Square is a powerful analytical method and is often referred to as soft modeling because it does not assume the data must be of a certain measurement scale, money means the number of samples can be smaller.

IV. RESULTS AND DISCUSSION

A. Measurement Model (Outer Model)

Outer model is a measurement model to assess the validity and reliability of the model. Through the algorithm literacy process, the measurement model parameters (convergent validity, discriminant validity, composite reliability and Cronbach's alpha) are obtained, including the value of R2 as a parameter of the accuracy of the predicted model. The measurement model is used to test the construct validity and instrument reliability. Validity test is done to know the ability of research instruments and measure what should be measured (Ghozali: 2014). While the reliability test is used to measure the consistency of measuring instruments in measuring a concept or can also be used to measure the consistency of respondents in answering statement items in a questionnaire or research instrument.

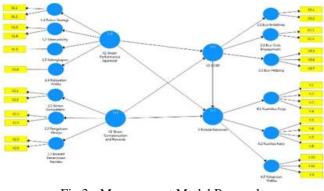


Fig 3:- Measurement Model Research Source: Adapted Researcher, 2019

B. Composite Reliability and Cronbach Alpha

Another test to evaluate the outer model is to look at the construct reliability of latent variables measured by two different sizes, namely composite reliability and Cronbach alpha of the indicator block that measures the construct. The first stage, constructs are declared reliable if they have composite reliability values above 0.70 (Ghozali: 2016). The following results are the output of composite reliability.

Variables	Composite Reliability	Requirement	Cronbach's Alpha	Requirement	Information
Green Performance Appraisal (X1)	0973	> 0.7	0967	> 0.6	reliable
Green Compensation and Rewards (X2)	0968	> 0.7	0960	> 0.6	reliable
OCBE (X3)	0969	> 0.7	0962	> 0.6	reliable
Employee Performance (Y)	0957	> 0.7	0951	> 0.6	reliable

Table 1:- Values *Composite Reliability of Model Research* Source: Analysis using SmartPLS 3.2.8

C. AVE (Average Varience Extracted)

Furthermore, for testing discriminant validity is done by looking at the value of AVE (Average varience Extracted). AVE good value if it has a value greater than 0.50 (Ghozali: 2016). Here is the value of the table AVE:

variables	Dimension	AVE Value	AVE Value	
	1.1 Strategic Focus	0947		
Green Performance Appraisal	1.2 Measuribility	0933	0859	
(X1)	1.3 Completeness	1,000		
F	1.4 Timeliness	1,000		
	2.1 Bonus Competence	0915	0835	
Green Compensation and Rewards (X2)	2.2 Recognition of Performance	0914		
	2.3 Acceptance Behavior Incentives	0938		
	3.1 Eco-Initiatives	0950	0815	
OCBE (X3)	3.2 Eco-Civic Engagement	0940		
	3.3 Eco-Helping	0814		
	4.1 Quantity of Work	0737		
Employee Performance (Y)	4.2 Quality of Work	0729	0670	
	4.3 Timeliness	0773		

 Table 2:- AVE (Average varience Extracted) Research Model

 Source: Analysis using SmartPLS 3.2.8

Table 2. Above shows the value AVE of the research model. Can be seen from the table that the AVE Value for all study variables and dimensions of research has been valued at over 0.5 so that the value of AVE for testingdiscriminant validity has met for further testing. Thus, the discriminant validity test has been met as well as with Convergent Validity test so that it can be concluded that the model was valid research.

D. Testing Structural Model (Inner Model)

This model is a specification of the relationship between latent variables, also called inner relations. In this test is a test of the type and magnitude of influence of the independent latent variable on the dependent latent variable. This test consists of 2 stages, namely the R Square Determinant Coefficient Test (R2) which is a test that calculates how much the independent latent variable explains the variance of the dependent latent variable and the hypothesis test which is a test of the hypothesis of the research model.

E. R Square Determination Test Coefficient (R2)

Evaluation of the inner model is done by looking at the coefficient of determination. The coefficient of determination aims to measure how far the model's ability to explain the variance of the dependent variable. The value of the coefficient of determination is between 0 and 1. The value of the coefficient of determination (R2) approaches the value 1. The value of R2 explains how much the independent variable hypothesized in the equation is able to explain the dependent variable. Chin (1998) in Yamin & Kurniawan (2011) explained the criteria for limiting the value of R2 in three classifications namely R2 = 0.67, 0.33, and 0.19 as substantial, moderate, and weak.

ISSN No:-2456-2165

Construct	R Square	R Square Adjusted
X3 OCBE	0911	0909
Y Employee Performance	0928	0925

Table 3:- The value of R Square (R2) of the Model Research Source: Analysis using SmartPLS 3.2.8

Seen in table 4. The relationship between constructs based on the R-square Adjusted value can be explained that the OCBE variable (X3) is 0.909, this shows that 90.9% of the OCBE variable (X3) can be influenced by the Green Performance Appraisal (X1) variable, and Green Compensation and Rewards (X2), while the remaining 9.1% is influenced by other variables outside the study. While the relationship between constructs based on the Rsquare Adjusted value can be explained that the Employee Performance variable (Y) is equal to 0.925, this shows that 92.5% of the Employee Performance variable (Y) can be influenced by Green Performance Appraisal (X1), and Green variables Compensation and Rewards (X2), while the remaining 7.5% is influenced by other variables outside the study.

Construct validity shows how well the results obtained from the use of a measurement in accordance with the theories used to define a construct (Ghozali: 2014). Construct validity consists of convergent validity and discriminant validity.

F. Validate the Overall Structural Model with the Goodness of Fit Index (GoF)

The purpose of testing the Goodness of Fit Index (GoF) is to validate the combined performance of the

measurement model (outer model) and the structural model (inner model) obtained through calculations as follows:

GoF =
$$\sqrt{AVE \ x \ R^2} 0.8550$$

Information :
AVE = $(0.859 + 0.835 + 0.815 + 0.670) / 4$
= 0.795
R square = $(0.911 + 0.928) / 2 = 0.920$

The results of the Goodness of Fit Index (GoF) calculation showed a value of 0.8550. According to Ghozali (2016), a small GoF value = 0.1, a medium GoF = 0.25 and a large GoF = 0.36. Based on these results it can be concluded that the combined performance of the measurement model (outer model) and structural model (inner model) as a whole is good because the Goodness of Fit Index (GoF) value is more than 0.36 (large scale GoF).

G. Predictive Relevance (Q2) Testing

The purpose of testing the Predictive Relevance (Q2) is to validate the model. The results of the Q2 calculation are as follows:

Q2 = 1 - (1 - R12) (1 - R22) = 0.994

Based on the predictive Relevance (Q2) calculation above, it shows the value of 0.994. In this research model, endogenous latent variables have Predictive Relevance (Q2) values greater than 0 (zero) so that exogenous latent variables as explanatory variables are able to predict their endogenous variables namely performance or in other words prove that this model is considered to have good predictive relevance.

H. Hypothesis testing

The results of hypothesis testing using SmartPLS 3.2.8 software can be seen in Figure 4 below:

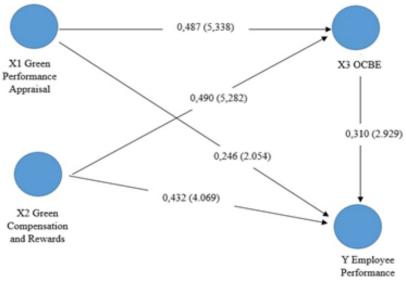


Fig 4:- Measurement Model Research Source: Adapted Researcher, 2019

Based on Figure 4 above, Hypothesis Testing in this study are as follows:

Relationship between Constructs	Original Sample (O)	T Statistics (O/STDEV)	P Values	Information	
Direct Influence					
- Green Performance Appraisal -> OCBE	0.487	5.338	0.000	Significant Positive Effect	
- Green Compensation and Rewards -> OCBE	0.490	5.282	0.000	Significant Positive Effect	
- OCBE -> Employee Performance	0.310	2.929	0.004	Significant Positive Effect	
- Green Performance Appraisal -> Employee Performance	0.246	2.054	0.040	Significant Positive Effect	
- Green Compensation and Rewards -> Employee Performance	0.432	4.069	0.000	Significant Positive Effect	
Indirect Influence					
- Green Performance Appraisal -> OCBE -> Employee Performance	0.151	2.408	0.016	Significant Positive Effect	
- Green Compensation and Rewards -> OCBE -> Employee Performance	0.152	2.612	0.009	Significant Positive Effect	

Table 4:- The value of R Square (R2) of the Model Research Source: Processed Data Writer, 2019

I. Discussion

Effect of Green Performance Appraisal to OCBE

Green Performance Appraisal has an influence on Organizational Citizenship Behavior Environment (OCBE). The Green Performance Appraisal includes things about green environmental awareness so that it is aligned with OCBE. This is also supported by previous research by Sakher Alnajdawi, Gengyuan Liu, Hamzah Elrehail (2017) where the results of this test say that there is a positive and significant influence of Green HRM (Green Performance Appraisal, Green Recruitment, Green Training), on OCBE. But this research is more focused on employee performance.

At TELIN, the results of the author's interview with one of the employees stated that OCBE could be the foundation for the formation of the Green Performance Appraisal and also the company's green environment. OCBE can help employees to better understand the aspects of green environmental awareness in the company.

> Effect of Green Compensation and Rewards on OCBE

Green Compensation and Rewards has an influence on Organizational Citizenship Behavior Environment (OCBE). With the existence of Green Compensation and Rewards, employees feel that their ideas and suggestions that cover green behavior will be appreciated by the company. This is also supported by previous studies of Nhat Tan Pham, Quyen Phu Thi Phan, Zuzana Tuckova Nga Vo (2018) where the results of this test say that there is a positive and significant influence of Green Compensation and Rewards & Green Organizational Culture has a positive and significant effect on OCBE. At TELIN, Green Compensation and Rewards affect employee performance because it triggers employees to have good green environmental performance. In addition, employees feel valued for their green environmental behavior which can have an impact on increasing employee motivation to continue to behave in a green environment.

> The Influence of OCBE on Employee Performance

Organizational Citizenship Behavior Environment (OCBE) has an influence on employee performance. With OCBE, employees become more understanding about the behavior of the green environment and are increasingly motivated to have excellent performance, especially in the area of caring for the green environment. This is in line with research Sukmawati, Thoyib, Surachman (2013), namely the higher OCBE, the employee's performance will increase.

At TELIN, OCBE has a good impact on employee performance and employee performance has improved after the presence of OCBE at the company.

> Effect of Green Performance Appraisal on employee performance

Based on the results of hypothesis testing prove that Green Performance Appraisal has an influence on employee performance. Green Performance Appraisal can improve employee performance. With the Green Performance Appraisal, employees feel that there are certain benchmarks for their performance so far, so employees will always be eager to work in order to get good Green Performance Appraisal results. The results of this study are supported by previous research by Sairra Hassan (2016) which states that Green HRM

ISSN No:-2456-2165

(Compensation, Career Planning, Performance Appraisal, Training) practices have a positive role in improving employee performance, so organizations must implement this practice to achieve desired goals.

Based on field observations at TELIN, it is evident that the Green Performance Appraisal has an important role in terms of improving employee performance. This is evidenced by employee respondents' perceptions of the Green Performance Appraisal. Respondents feel that the Green Performance Appraisal component in my place of work includes involvement in environmental issues and the greening system. In addition, the Green Performance Appraisal has been implemented at the right time.

➤ The Effect of Green Compensation and Rewards on Employee Performance

Employees feel motivated to have excellent performance because they know that they will get a certain compensation or reward if their performance results are good.

This is also supported by the research of Bilal bin Saeed, Bilal Afsar (2018), namely Green performance management and Appraisal and green rewards and compensation are positively correlated with environmental actors, psychological climate, and employee performance. All other Green HRM practices are also positively and significantly correlated with employee performance.

At TELIN, Green Compensation and Rewards affect employee performance because it triggers employees to have good green environmental performance. In addition, employees feel valued because they know what they are doing will get an achievement, award, compensation or a certain gift from the company.

The Effect of Green Performance Appraisal and Green Compensation and Rewards on Employee Performance

Based on the results of hypothesis testing prove that Green Performance Appraisal and Green Compensation and Rewards have an influence on employee performance. This also applies with previous research Nury Ariani Wulansari, Rini Setyo Witiastuti, and Siti Ridioah (2018). The results of this study indicate that employee performance indicators based on Green HRM (employee recruitment, compensation system, rewards, and appraisal performance) are formed from policies that support friendly behavior environment in the company and also waste management policies. This study also supports the results that the application of Green HRM (employee recruitment, compensation system, rewards, and performance appraisal) can increase the sense of ownership of employees in the organization which in turn can improve performance.

At TELIN, Green Performance Appraisal and Green Compensation and Rewards affect employee performance because employees become aware that their performance on green environmental behavior will be assessed and if the assessment results are good, then he will get compensation or certain rewards for the results of his performance and hard work during this.

The Effect of Green Performance Appraisal, Green Compensation and Rewards and OCBE on Employee Performance

The influence of Green Performance Appraisal, Green Compensation and Rewards and OCBE together has a positive and significant effect on employee performance.

This is consistent with what was revealed by previous studies of Sakher Alnajdawi, Gengyuan Liu, Hamzah Elrehail (2017), namely that there are positive and significant influences from Green HRM (green performance management and appraisal, green recruitment and selection, green rewards and compensation, green training and development), OCBE, Sustainable Corporate Performance on employee performance.

At TELIN, Green Performance Appraisal, Green Compensation and Rewards and OCBE affect employee performance because Green Performance Appraisal, Green Compensation and Rewards and OCBE are interrelated with each other, especially in matters concerning green environmental care behavior.

These three variables have a positive impact on employee performance & make TELIN which was not a company that carries go-green or greening the environment, becoming a company that has gone towards green or greening and environmental awareness.

V. CONCLUSIONS AND SUGGESTIONS

- A. Conclusion
- Green Performance Appraisal has a significant positive effect on OCBE, with the dimension of Strategy Focus having the strongest influence.
- Green Compensation and Rewards has a significant positive effect on OCBE, with the Competency Bonus dimension being the strongest influence.
- OCBE has a significant positive effect on employee performance, with the most powerful Eco-helping dimension.
- Green Performance Appraisal has a significant positive effect on Employee Performance, with the dimensions of Measuribility being the strongest influence.
- Green Compensation and Rewards have a significant positive effect on Employee Performance, with the Competency Bonus dimension having the strongest influence.
- Green Performance Appraisal and Green Compensation and Rewards have a significant positive effect on Employee Performance, with the most powerful dimensions of Measuribility & Competency Bonus.
- Green Performance Appraisal, Green Compensation and Rewards and OCBE have a significant positive effect on Employee Performance, with the dimensions of Measuribility, Competency Bonuses and Eco-helping the strongest influence.

B. Suggestion

- Correlation results from the influence of Green Compensation and Rewards variables on employee performance the most powerful influence is the Compensation Bonus which is influenced by Work Quality, namely:
- Compensation bonuses are made attractive so employees are increasingly motivated to have good quality work and are increasingly concerned about the green environment.
- Promoting employees what rewards / rewards will be obtained when they carry out activities related to green environmental awareness
- Correlation results from the influence of Green Compensation and Rewards variables on OCBE the strongest influence is Competency Bonuses which are influenced by Eco-initiatives, namely:
- Sharing session about the relationship between compensation with Green Company & Performance so that employees can better understand the behavior of the green environment in the company
- Correlation results from the influence of Green Performance Appraisal variables on employee performance the most powerful influence is Measuribility which is influenced by Work Quality, namely:
- The Green Performance Appraisal component includes involvement in environmental issues and environmental greening systems. In this case, the quality of work of employees is also assessed, especially those related to environmental issues and the greening system of the environment so that there is a certain benchmark for the quality of work results of the employees assessed.
- Correlation results from the influence of Green Performance Appraisal variables on OCBE that have the strongest influence are the Focus of the Strategy which is influenced by Eco-helping, namely:
- The company is expected to be able to make long-term and short-term plans in terms of making programs about caring about the green environment.
- Correlation results from the influence of the OCBE variable on Employee Performance the strongest influence is Eco-helping which is influenced by Work Quality, namely:
- Provide further information and outreach about OCBE
- Employees use office facilities effectively and efficiently so that no facilities or items used in the office are wasted without being used again (if it is still feasible).
- Employees help each other remind other employees to work wisely in terms of efficient use of office facilities.
- Increase CSR activities
- Provide training or special events on green environmental awareness so that employees increasingly understand what the impacts and benefits of environmental awareness programs are

> For Further Researchers

The expectation of the authors is that further research can explore more closely the variables that affect employee performance and the influence of OCBE as a mediator. In this study opens the possibility of other influences from Green Performance Appaisal and Green Compensation and Rewards to other variables.

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