

Increase Employee Performance Through the Implementation of Total Quality Management and Self-Efficacy (Case Study on Small and Medium Enterprises in Bogor City, Indonesia)

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Abstract: Human resources in terms of employees are also participatory and work well if the company is able to create a conducive working environment and climate to achieve organizational goals. This study aims to find efforts to improve employee performance through the application of total quality management and self-efficacy. The sampling technique uses *proportional random sampling* with the Yamane calculation formula with a precision level of 5% of the sample number of 175 SME employees. Ordinal data is converted into interval-scaled metric data. The instrument testing method uses validity test, reliability test and classical assumption test. The analysis method uses path analysis (*Path Analisis*). The results of the study explained that the categories of total quality management implementation were good, good self-efficacy, and good employee performance. There is a direct influence of both total quality management and self-efficacy on employee performance. There is a joint influence of total quality management and self-efficacy on employee performance. There is a relationship between total quality management and self-efficacy. Meanwhile, the most influential factor in improving employee performance is *total quality management*.

Keywords: Employee Performance; Implementation of Total Quality Management; Efficacy Self; Small and Medium Enterprises

1. INTRODUCTION

Small and Medium Enterprises (SMEs) are a group of businesses that can survive when the economic crisis occurred in this country in 1998 and 2008. During the economic crisis, many large-scale businesses have stagnated and even stopped their activities, the SME sector has proven to be more resilient in facing the economic crisis. In substance in the Indonesian economy, SMEs make a fairly important contribution to improving people's welfare, exports, trade and competitiveness. In line with the Indonesian government's economic development program, the starting point is directed at improving community welfare, by empowering the people's economy through SME activities.

The role of SMEs in economic development, especially the provision of labor and sources of income for low-income groups, and the level of ability of SMEs is largely determined by government support. One of the efforts that can be made by both central and regional governments is to improve the quality of competitiveness through the development of the business sector.

Other potentials are the advantage of using domestic/locally sourced raw materials, the use of low-wage labor and relatively fast moving towards adjusting the use of raw materials and being market-oriented. In addition, SMEs have the ability to save the wheels of the national economy, this is shown by their contribution to the Gross Domestic Product (GDP) and also shown by their contribution to job creation so that they can reduce the number of unemployed. The contribution of the SME sector to the gross domestic product in Indonesia in 2021 was 61.07 percent and in 2022 it decreased by 60.3 percent, while in 2023 it increased by 61 percent. Labor

absorption in this sector also increased from 2022 to 2023, from 116 million to 117 million (Source: <http://www.kemenperin.go.id> quoted December 23, 2024).

The obstacles faced by the SME sector in realizing their businesses, such as difficulties in obtaining raw materials by 23.75%, unexpanded marketing by 16.96%, production techniques by 3.07%, competition for similar businesses by 15.74%, and capital constraints by 40.48% (Source: Ministry of Cooperatives and Small and Medium Enterprises, 2019).

Bogor is included in West Java Province because it is located close to the capital city of Jakarta, which is a strategic potential for economic development and growth and has a large number of SMEs with superior products that have the potential to develop and are able to compete are priorities to be developed. So that the level of competition faced is very tight both in quality and quantity.

The importance of human resources in an organization or company is to determine the success of the organization (company) in achieving its goals, because the success or failure of the company in achieving its goals is highly dependent on the ability of human resources or employees to carry out the tasks given. The ability of employees to carry out their duties can be seen through their performance, so that employee performance is very important for the success of the company.

Furthermore, there are several problems faced by SMEs, mainly human resource problems including mindset, recruitment, mentoring, work culture, human resource quality, while management problems such as business licensing, product standards, and business contract problems. Furthermore, other problems are finance, institutions, access to financing sources, financial reports to taxes, product innovation, adoption of new technology, production capacity and others. Small and medium enterprises (SMEs) are also still facing market and raw material problems, such as digital market access, export access, and the availability of raw materials (Wibowo, 2020).

Employee performance as work achievement or work results, both quality and quantity, achieved by human resources for a period of time in carrying out their work duties in accordance with the responsibilities given to them. The dimensions of employee performance consist of: a) Work efficiency; b) Work effectiveness; c) Quality of work; d) Quantity of work; e) Contribution to the organization (Source: Robert L. *et.al*, 2011; Ganyang, M. T., 2018; Soetrisno, 2010; Mangkunegara, 2007; Wirawan, 2012; Flippo, 2000).

Data from a preliminary survey with the number of subjects of 30 employees of Bogor City SMEs during the survey time of October 15 - November 20, 2022. The preliminary survey so: a) There are 45% of employees who have problems in work efficiency, which can be seen from the number of employees who work who have not optimized the available facilities and have not worked carefully and thoroughly; b) There are 39% of employees who have problems in work effectiveness, where it can be seen that many employees who work have not completed their work in a disciplined manner, have not used their skills to produce good work; c) There are 42% of employees who have problems related to the quality of work results, It can be seen from the number of employees who have not been able to carry out their duties according to the company's procedures and policies, have not fulfilled their responsibilities in the job description; d) There are 37% of employees who have problems related to the quantity of work results, it can be seen that there are many employees who have not been guided by the predetermined targets and have not developed and used technical knowledge at work; e) There are 32% of employees who have problems related to their contribution to the organization, as seen from the number of employees who have not received awards and promotions based on achievement, and have not carried out their duties in accordance with procedures.

The importance of employee performance appraisal in an organization or company will affect the achievement of organizational or company goals. Employee performance appraisal is the task of a human resources development (HRD) manager to achieve organizational or company goals. Organizations need human resource support. For this reason, organizations need to pay attention to the welfare and development of human resources in the company. So it is hoped that there will be harmonious and unidirectional communication between employees and the company.

The implementation of TQM requires companies to have accurate measurements and measuring tools. Companies need measurements that are relevant to quality improvement efforts. The factors for the failure of the implementation of TQM in several companies based on the study literature that has been carried out, are described as follows: (1) Company managers ignore the cost factor, finally quality improvement is not followed by an increase in profits, but instead results in increased costs; (2) Lack of understanding of TQM (Rust, *et al.*, 2004 in Rochaety, 2017).

Self-efficacy as a knowledge of individual behavior (psychology) unit of analysis is a pattern of behavior that can lead to success or failure. If the path to success through being active by choosing opportunities, managing situations, setting goals and building standards, planning and preparing and practicing, trying diligently,

overcoming problems creatively, learning from circumstances, visualizing success, reducing stress, and vice versa in failure.

Research conducted by Wahani *et al.* (2021) that *total quality management* (TQM) does not have a significant effect on employee performance. Meanwhile, Handoko *et al.* (2016) showed that there was a positive and significant influence of the implementation of TQM on employee performance. Research conducted by Giovani *et al.* (2024) self-efficacy has no effect on employee performance. Meanwhile, Darmawan *et al.* (2021) found that self-efficacy has a positive and significant effect on employee performance. Therefore, this study finds out the influence of *total quality management* and self-efficacy on employee performance.

2. LITERATURE REVIEW

Human Resource Management and Employee Performance

According to Dessler (2015:3), human resource management is the process of obtaining, training, assessing, and compensating employees to take care of labor relations, health and safety, and matters related to justice. Mangkunegara (2013:2), human resource management is the management and utilization of resources that exist in individuals who are developed optimally in the world of work to achieve organizational goals and individual employee development. According to Hasibuan (2017:10), human resource management is a science and art that regulates the relationship and role of the workforce to be active and efficient in helping to realize the goals of the company, employees and society. Meanwhile, according to Sedarmayanti (2017:3), human resource management is a process of utilizing human resources effectively and efficiently through planning, mobilizing, and controlling all values that are human strength to achieve goals. Based on this theory, it can be synthesized, that human resource management is a science that regulates the relationship between the role of human resources and other resources in order to achieve goals and improve the welfare of the company, employees and society.

According to Colquit, *et.al* (2013: 38-42), performance is a number of behaviors and contributions of organizational members to the achievement of organizational goals. Performance is reflected in the work results that employees are aiming for. Soetrisno (2010: 87) that achievement or performance is the result of work that a person has been able to achieve from his work behavior in carrying out work activities. According to Mangkunegara (2007:87) that the performance of employees/employees is the result of work in terms of quality and quantity achieved by an employee/employee in carrying out his duties in accordance with the responsibilities given to him. Wirawan (2012: 113) performance is also an output produced by the functions or indicators of a job or profession in a certain time. Based on the description of the theory, it can be synthesized that employee performance is the result of work achieved by a person in carrying out the tasks assigned to him which is based on skill, experience, and seriousness and time. The following dimensions of employee performance: work efficiency, work effectiveness, quality of work, quantity of work and contribution to the organization.

Total Quality Management and Self-Efficacy

According to Krajewski, and Larry (2006) that TQM is a new paradigm in running a business that seeks to maximize organizational competitiveness through focusing on customer satisfaction, employee involvement, and continuous improvement of the quality of products, services, people, processes, and the organizational environment. Blocher, Chen, Lin (2000:209) that *total quality management* (TQM) is an effort that a company makes continuously by everyone in the organization to understand, meet, and exceed customer expectations. Rao *et. al* (1996:20), TQM is a collection of engineering principles, processes and best practices that are more effectively proven. According to Gaspersz (2002: 5), TQM is a way of continuous *performance improvement* at every level of operation or process, in every functional area of an organization, by using all human resources. Based on the description of the theory, it can be synthesized that *total quality management* (TQM) is an effort made by a company continuously through everyone in the organization to understand, meet, and exceed customer expectations, which uses a management system that focuses on people/workforce, which aims to continuously increase value (*value*) given to consumers, at a value creation cost that is lower than that value. The dimensions of TQM are as follows: management commitment, customer satisfaction, respect for everyone, fact-based management, continuous improvement, education and training, employee engagement.

According to Schermerhorn *et.al* (2011: 96) self-efficacy is defined as a person's belief that he or she is capable of performing a task, and is an important part of *self-control* or self-control. Pajares and Shunk (2001: 239-266) suggest that the belief in self-efficacy influences a person to make choices and actions to be taken. According to Stoltz (2000:91), *self-efficacy* is the belief in mastery of life and the ability to face challenges as they arise.

Lunenburg (2011) self efficacy is an individual's confidence in facing and solving the problems he faces in various situations and being able to determine actions in completing certain tasks or problems, so that the individual is able to overcome obstacles and achieve the expected goals. Based on the description of the theory, it can be synthesized that self-efficacy is a person's belief in his ability to do and complete tasks according to his responsibilities with a certain level of success. The following dimensions of self-efficacy: level of confidence (level of self-confidence, strength (encouragement to complete tasks/goals), generality (efforts to provide better results in efforts)

Hypothesis Development

Total quality management (TQM) as the best way to compete and excel in global competition by producing the best quality products and services. TQM provides answers to organizations or companies to global challenges that are increasingly difficult, complex and rapidly changing. Based on the direct influence of TQM on employee performance through a system, which makes continuous improvements and remains consistently good in serving customers, it is hoped that it will have a positive impact on employee performance, namely improving the performance of employees from companies that implement it. Self-efficacy is a person's belief about their ability to carry out and complete tasks according to their responsibilities with a certain level of success. Every performance has the potential to act in various forms of activity. The ability to act can be acquired by humans either naturally (present from birth) or learned. Meanwhile, self-efficacy is part of personality attitudes (*personality*) which is related to personal beliefs regarding self-competence and self-ability. The direct influence of self-efficacy on employee performance is that specifically, it refers to a person's belief in their ability to complete a task successfully. Individuals with a high level of self-efficacy are very confident in their performance abilities. Supported by research conducted by Hakim and Aryanti (2020) and Saptono, A *et al* (2020) that *total quality management* influences employee performance. Furthermore, it is supported by research conducted by Rosid and Irawati (2022); Pulungan and Rivai (2021); that self-efficacy influences employee performance. Sitorus (2024) that the Total Quality Management (TQM) and self-efficacy variables have a significant effect on employee performance. It is suspected that there is a direct and positive influence of *total quality management* on employee performance (H_1); It is suspected that there is a direct and positive influence on employee performance (H_2); It is suspected that there is an influence of TQM and positive self-efficacy on employee performance (H_3). Overall will be explained in the following frame of mind figure:

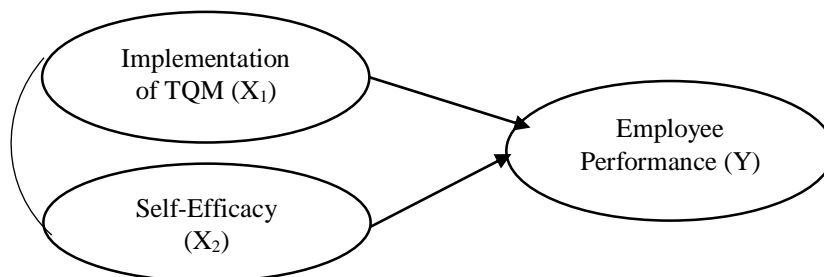


Figure 1. Thinking Framework

3. RESEARCH METHODS

Research Design

A quantitative approach is used to explain the influence of the research variables used *path analysis*. In accordance with its objectives, this research was designed as research *descriptive* and *verification*. The number of samples in this study was 175 people using the Yamane formula in Riduwan and Akdon (2020) with a precision of 5%. Data collection was carried out through: 1) distributing questionnaires based on indicators for each variable; 2) conduct in-depth interviews (*indepth interview*) to complete the analysis; 3) literature study to obtain secondary data. Questionnaire data were processed using qualitative and quantitative approaches. This type of questionnaire uses a closed questionnaire with an ordinal scale which is raised to an interval scale *method of successive interval* through the program *microsoft excel* (Setyaningsih, 2020).

Approach Method

Calculations using *path analysis* by: 1) calculating multiple regression coefficients using the model; 2) calculate path coefficients with the model; 3) calculate the coefficient of determination; 4) calculate the influence simultaneously and partially.

Validity Test, Reliability Test and Classical Assumption Test

The validity test shows that the questionnaire items are said to be valid at a minimum of 0.361 referring to Supardi (2016) where *item total correlation* above 0.361 is categorized as a valid item, whereas *item total correlation* below 0.361 is invalid and will be excluded from further analysis. The reliability test shows how far a measuring instrument can be trusted by measuring two or more times the same symptom with the same measuring instrument. According to Kaplan and Saccuzzo (2018), an instrument is said to be reliable (*reliable*) if alpha is 0.7 or more.

The classical assumption test shows that the research model truly meets the basic assumption requirements in regression analysis, namely: 1) the normality test explains that the model has a normal distribution using *Uji Kolmogorov-Smirnov* referring to Ghozali (2018) where the probability value is (say) *kolmogorov-smirnov* above 0.05 or statistical data forms a bell curve; 2) the multicollinearity test explains that the model did not find any correlation between the independent variables referring to Ghozali (2018) to detect multicollinearity through *tolerance value* with a value above 0.05 And *variance inflasion* factor with a score below 5; 3) the heteroscedasticity test explains that *variance* model is not the same as *residual* one observation to another is constant, then the model is good to use referring to Ghozali (2018) testing heteroscedasticity through graphic observations *scatterplot* between values *zpred* with the residual *sresid*.

4. RESEARCH RESULT

Respondents' Responses to the Implementation of TQM, Self-Efficacy and Employee Performance

The employee responses to the variables of implementing total quality management and self-efficacy as well as the employee's superior's response to employee performance are as follows

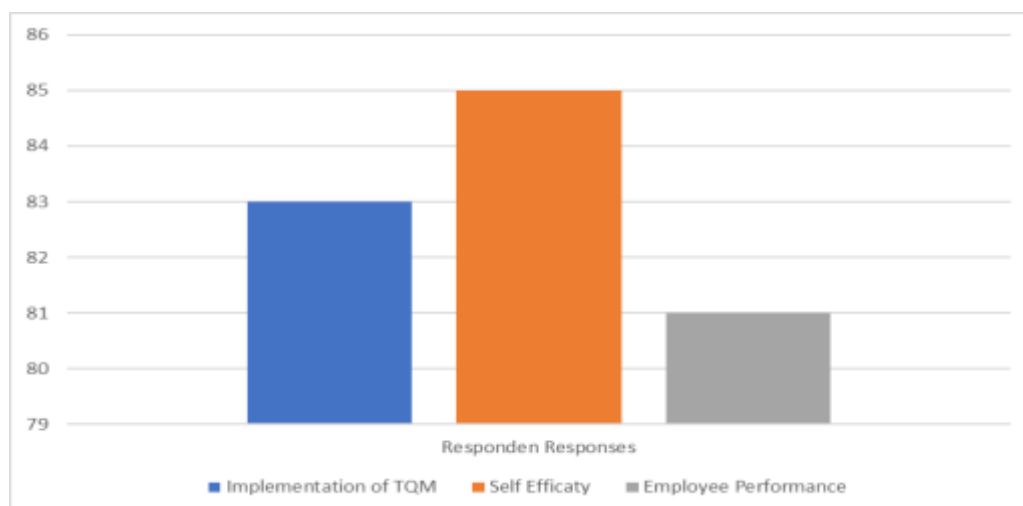


Figure 2. Respondents' responses to the TQM implementation variable, Self efficacy and Employee Performance

Marinade variable scores *Total Quality Management* amounting to 83 percent, which means it is in the good category, this shows that the majority of employees support the company's management and are committed to being involved and providing support and empowering it effectively through continuous improvement of all business processes and production processes. So that customers are satisfied with the quality and service provided. A self-efficacy variable score of 85 percent means it is in the good category, this shows that the majority of UKM employees are very confident in completing tasks with certain task difficulty levels ranging from simple to difficult. The employee performance variable score is 81 percent, which means it is in the good category, this shows that the majority of UKM employees have very good working conditions in improving current employee performance. Working conditions are a contribution or contribution to the organization made by employees in their work.

Path Analysis

The results of the path coefficient calculation are as follows:

Table 1. Path Coefficients and Significance of Coefficients

		Coefficients ^a		Standardized Coefficients Beta	t	Sig.
Model		Unstandardized Coefficients B	Std. Error			
1	(Constant)	31.040	16.804		1.847	.066
	X1	.421	.078	.389	5.409	.000
	X2	.295	.089	.240	3.334	.001

a. Dependent Variable: Y

Sumber; Processed Data, 2024

Meanwhile, the structural equation $Y = 0,389X_1 + 0,240X_2 + 0,707$

1. Coefficient value *standardized beta* for the variable *Total Quality Management* of 0.389. This gives the meaning that each variable increases *Total Quality Management* by one unit, employee performance will increase by 0.389 with the assumption that the other independent variables in the model are fixed.
2. Coefficient value *standardized beta* for the Self-Efficacy variable is 0.240. This means that for every increase in the Self-Efficacy variable by one unit, employee performance will increase by 0.240 with the assumption that the other independent variables in the model are fixed.

This equation can be described in the following structural model:

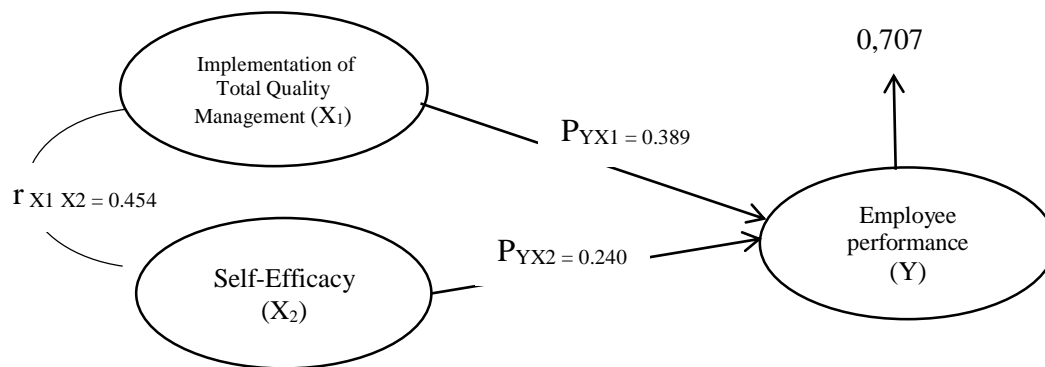


Figure 3. Path Diagram of the Structural Model

Source: Processed data, 2024

The magnitude of the direct impact of implementation *total quality management* on employee performance is $(0.389 \times 0.389 \times 100\%) = 15.13\%$. This means that Implementation Total Quality Management has a 15.13% influence on employee performance. Furthermore, the direct influence of self-efficacy on employee performance is $(0.240 \times 0.240 \times 100\%) = 5.76\%$. This means that self-efficacy has a 5.76% influence on employee performance. The relationship between implementing total quality management and self-efficacy of 0.454 is classified as low to moderate <0.60 (Sugiyono, 2017). which means that the indicators for implementing total quality management with self-efficacy cannot stand alone to make a meaningful contribution to the self-efficacy variable. Indicators for implementing total quality management must be used together to make a greater contribution to self-efficacy.

Analysis of the following correlation and coefficient of determination:

Table 2. Results of Correlation and Determination Coefficient Calculations
Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.542 ^a	.293	.285	16.642

a. Predictors: (Constant), X2, X1

b. Dependent Variable: Y

Source: Processed data, 2024

Variable relationships *total quality management* and self-efficacy of 0.542 is moderate (Sugiono, 2017). This shows that *total quality management* and moderate self-efficacy then employee performance is moderate. Meanwhile, the coefficient of determination is 0.293, which means that *total quality management* and self-efficacy contribute 29.3 percent to employee performance, the remaining 70.7 percent of employee performance is influenced by other factors outside of this research model, such as ability, motivation, support received, the existence of the work that employees do, relationships with the organization (Mathis and Jackson, 2011: 325).

The statistical values obtained from the F test can be seen in the following table:

Table 3. F Test Line Coefficient Testing

		ANOVA ^a				
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	19777.309	2	9888.654	35.706	.000 ^b
	Residual	47634.200	172	276.943		
	Total	67411.509	174			

a. Dependent Variable: Y

b. Predictors: (Constant), X2, X1

Source: Processed data, 2024

That F_{count} greater than F_{table} ($35.706 > 1.654$) then it can be concluded that H_a is accepted, meaning that with a confidence level of 95% there is a simultaneous positive and significant influence of total quality management and self-efficacy on employee performance. Next t_{count} greater than t_{table} ($5.409 > 1.96$) eye H_0 rejected H_a accepted, with a confidence level of 95% meaning that the implementation of total quality management has an effect on employee performance. It has a probability value of $0.000 < 0.05$ that increasing employee performance will have an effect on the implementation of total quality management. Then t_{count} greater than t_{table} ($3.334 > 1.96$) then H_a is accepted, with a confidence level of 95%, meaning that self-efficacy influences employee performance. It has a probability value of $0.001 < 0.05$ that increasing employee performance will have an effect on self-efficacy.

5. DISCUSSION

The Effect of Implementing Total Quality Management and Self-Efficacy On Employee Performance

Total quality management (TQM) is cooperation with customers, and feedback from customers. With customers through quality where agents are primarily those who serve consumers. TQM refers to the perspective of each unit or program itself when employees are involved in decision making and managers remove their principal authority into a technical strength analysis as an assessment tool for organizational change implemented in TQM. Where TQM aims at strong forces controlling people, it gets great attention. Plans include tactics designed to allow employees to adapt to the organization,

TQM is based on organizational needs. There are two basic reasons for employee participation, namely to increase employee commitment to the results they feel or take ownership in what is decided. They have a rationale for employees who have a lot of relevant knowledge and skills in improving quality, identifying problems, and improving work processes, and their input needs to be considered and make decisions as a possibility for employee participation.

Self-efficacy as an aspect of knowledge about oneself or *self knowwledge* the most influential in people's daily lives. This is because self-efficacy influences individuals in determining the actions they will take to achieve a goal, including estimates of various events that will be faced. Someone with self-efficacy believes that they are able to do something to change events around them, while someone with low self-efficacy considers themselves basically unable to do everything around them. In difficult situations, people with low efficacy tend to give up easily.

Meanwhile, high self-efficacy will try harder to overcome existing challenges. Self-efficacy emphasizes the component of self-confidence that a person has in facing future situations that contain ambiguity, cannot be predicted, and are often full of stress. Although self-efficacy has a large causal influence on action, it combines with the environment, previous behavior, and other personal variables, especially outcome expectations to produce behavior. This is supported by research conducted by Sitorus (2024) that total quality management (TQM) and self-efficacy influence employee performance. Strengthening *total quality management* and self-efficacy Overall it can improve employee performance.

The Effect of Implementing Total Quality Management on Employee Performance

Total quality management (TQM) as the best way to compete and excel in global competition by producing the best quality products and services. TQM provides answers to organizations or companies to global challenges that are increasingly difficult, complex and rapidly changing. Through TQM, concepts and methods require commitment and involvement from management and the entire organization in managing the company to meet and exceed customer expectations. As a system that is currently being implemented by companies because it is considered capable of supporting employee performance.

TQM an effort to maximize organizational competitiveness that focuses on continuous improvement to meet customer satisfaction. Because employee performance is the result of work and work behavior that has been achieved in completing the tasks and responsibilities given within a certain period. Performance is the result of work that has a strong relationship with the organization's strategic goals, customer satisfaction, and contributing to the economy. The company's goal in producing quality products is to achieve customer satisfaction. TQM requires a change in the basic philosophy of everyone in the company, especially employees. In carrying out business to maximize the competitiveness of the organization through continuous improvement of products, services, workforce, processes and the environment using TQM. In this case, using TQM can provide improvisation on employee performance. Through a management approach in an organization, focused on quality and based on the participation of all human resources and aimed at long-term success through customer satisfaction and providing benefits to members of the organization (its human resources) and society. The main goal of TQM is continuous improvement to obtain results, namely obtaining good performance. This is supported by research conducted by Sari et al (2018); Hakim and Aryanti (2020); Sitio (2022) shows the influence of TQM on employee performance. Based on the results of this research, there is a positive and significant direct influence between implementation *total quality management* on employee performance. Strengthening *total quality management* Overall it can improve employee performance.

The Influence of Self-Efficacy On Employee Performance

Every performance has the potential to act in various forms of activity. The ability to act can be acquired by humans either naturally (present from birth) or learned. Meanwhile, self-efficacy is part of personality attitudes (*personality*) which is related to personal beliefs regarding self-competence and self-ability. Employee performance is the employee's performance in carrying out all the tasks that are their responsibility. These tasks are based on established success. As a result, it will be known that a manager belongs to a certain level of performance. If an employee feels happy and satisfied with the work he has done, the results will be good and in accordance with his assignment.

Even though humans have the potential to behave in certain ways, this behavior is only actualized at certain times. The potential to behave in a certain way is called ability (*ability*), while the expression of this potential is known as performance (*performance*). This is supported by research by Pulungan and Rivai (2021); Pratomo (2022); Meria and Tamzil (2021) self-efficacy has a positive and significant effect on employee performance. Based on the results of this research, there is a positive and significant direct influence between self-efficacy on employee performance. Strengthening overall self-efficacy can improve employee performance.

The Relationship between Implementing Total Quality Management with Self-Efficacy

Total quality management (TQM) is an approach to running a business that tries to maximize an organization's competitiveness through continuous improvement of its products, services, people, processes and environment. Basically TQM focuses on continuous improvement to meet customer satisfaction. That with TQM it is hoped that it can provide improvisation on employee performance. Self-efficacy contributes to predicting employee performance. These results show that increasing self-efficacy will influence employee performance. Self-efficacy is a person's belief in his or her ability to exercise some form of control over the person's own functioning and events in the environment.

People's beliefs about self-efficacy influence the forms of action they will choose to take, how much effort they will put into these activities, how long they will persist in the face of obstacles and failure, and their resilience following setbacks. Self-efficacy determines whether a person will exhibit certain behaviors, how strongly the person can persevere in the face of failure or difficulty, and how success or failure in a particular task influences future behavior. Basically every company hopes to achieve *output* the optimal one. This should be the duty and responsibility of management because it affects the future of the company. In research, Narsa and Yuniawati (2003) stated that with TQM it is hoped that it can provide improvisation on employee performance. Apart from that, good performance can be said to reduce costs to be more economical, because with the aim of TQM which continuously hone quality, it can prevent many defects, eliminate losses between customers, suppliers or employees. Self-efficacy is part of personality attitudes (*personality*) which is related to personal beliefs

regarding self-competence and self-ability. Specifically, it refers to a person's confidence in their ability to complete a task successfully. Individuals with high levels of self-efficacy are very confident in their performance abilities.

6. CONCLUSIONS AND IMPLICATIONS

Based on the research results, it can be concluded as follows: 1) Simultaneous test results show that there is a simultaneous positive and significant influence of TQM and self-efficacy on employee performance; 2) The test results directly show that TQM and self-efficacy have a positive and significant effect on employee performance. TQM which has the highest influence on employee performance; 3) There is a relationship between TQM and self-efficacy.

The implications of the research results from these findings are as follows: 1) Strengthening total quality management can improve employee performance, efforts are needed to improve employee performance through strengthening total quality management on indicators of institutionalizing training; pride in work; education and self-improvement; satisfied customers obtained according to expectations; communication; attention to employees; assessment of work results; 2) Strengthening self-efficacy can improve employee performance, so efforts are needed to improve employee performance through strengthening self-efficacy on indicators of setting high, important and superior goals; assessment of capabilities possessed; self-confidence to succeed at work; efforts to find solutions; 3) The limitation of this research is that it only uses a sample (175 respondents) so the results are not optimal and further research can be directed at a larger sample and add variables that influence employee performance such as work motivation, leadership, organizational culture, loyalty, commitment, and work discipline with the hope of obtaining more perfect results.

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