THE INFLUENCE OF INTEGRITY AND LOYALTY ON EMPLOYEE PERFORMANCE

[1]RIRI TASI, [2]SYAMSIR

[1]Faculty of Social, UniversitasNegeri Padang, Padang, Indonesia

Abstract— The efforts to improve employee performance in an organization required integrity and loyalty. Integrity was the commitment of an employee in carrying out everything that one of them works with the principles that were true and ethical through values and norms. While loyalty can be interpreted as loyalty, service and trust have given or directed to someone or institution, in which there was a sense of responsibility to try provided the best service and behavior towards the organization or its work. So employees who had integrity and loyalty in their work could improve performance and achieve organizational goals. The purpose of this research was to analyze the influence of integrity and loyalty on employee performance in the secretariat office of Sijunjung, West Sumatra. This research used a quantitative approach that aims to determine the influence of independent variables on the dependent variable. Population in this study consisted of all civil servants at the secretariat office of Sijunjung, West Sumatra. The sampling technique in this study was a random sample with a sample of 120 respondents. Data were collected through the questionnaire, and then the data were analyzed with regression test. The results of this study indicated that integrity and loyalty both partially and simultaneously, had a significant and positive effect on employee performance at the secretariat office of Sijunjung, West Sumatra.

Keywords— Integrity, Loyalty, Employee Performance

I. INTRODUCTION

Civil Servants are elements of the state apparatus and public servants to organize the government and carry out development in the framework of efforts to achieve national goals. A Civil Servant is in devoting himself to the State in the scope of government both regional and central government which will be distributed in a more scope small and specific again, namely in a Regional Organization, this is where later a civil servant must work and devote himself fully to the nation and the State by their respective fields. Every organization, both private and government, must have various goals to be achieved. The organization will use available resources to achieve these objectives. One important resource is humans (Sinungan, in Sutrisno 2009) [1]. Considering the importance of the existence of human resources in the organization to achieve the planned goals, an organization must strive to manage its human resources to be able to sustain life and achieve its goals. An organization must be able to manage the work of its employees to achieve the goals set. One way that must be done by a civil servant is to improve performance.

Simamora,(2001)stated that Employee performance is influenced by the ability, effort expended and organizational support (Mathis and Jackson, 2006) [2]. Employees who have the ability and high level of business and have the support of the organization must be able to provide good work. Because good employee performance has a large role in the organization. Employee performance affects the work results of a government organization because if the performance of employees is hasty it will harm the organization, but if the employee's performance is good it will have a positive effect on realizing the organization's goals optimally. While the situation in the field there are still many problems in improving performance, for example, namely the first, there are employees who do not carry out their work by the commitments they have made. The second is the existence of employees who still have not carried out their duties without regard to values and norms. The third is that there are still employees who are lazy and do not work wholeheartedly towards the work that has been given.

Employee performance is important in improving optimal work results. The performance of employees in an organization cannot be separated from integrity and loyalty. Integrity is the quality, character, and circumstances that describe a unified whole so that it has the potential and ability to exude authority and honesty. The performance of employees in an organization cannot be separated from integrity and loyalty. Integrity comes from the Latin " *Integer* " which means overall, complete. Integrity means

thinking, saying, behaving, and acting properly and correctly and upholding the code of ethics and moral principles. Hasibuan (2005), states that loyalty or loyalty is one of the elements used in employee assessments that include loyalty to their work, position and, organization. This loyalty is reflected by the willingness of employees to maintain and defend the organization inside and outside the work of undermining irresponsible people [3]. Poerwopoespito (2004), states that loyalty to work is reflected in the attitude of employees who devote their abilities and expertise, carry out tasks with responsibility, discipline and, honesty in work [4].

According to Sinamo (2011) Integrity is a set of positive work behavior that is rooted in strong cooperation, fundamental beliefs, accompanied by a total commitment to an integral work paradigm [5]. While loyalty is as loyalty to something with a sense of love so that with a high sense of loyalty someone feels no need to get rewarded in doing something for other people/companies where he puts his loyalty. According to Poerwadarminta (2002) loyalty can be defined by the loyalty, devotion and, trust given or addressed to a person or institution, in which there is a sense of love and responsibility to attempt to provide play a nan and best behavior [6]. With employee loyalty to the organization or its work, the employee will try to take responsibility for his work. Thus that with the existence of loyalty is very important in improving employee performance. If someone has loyalty and loyalty to a thing, then that person is willing to sacrifice for what he believes.

The success of a government organization is strongly influenced by the performance of individual employees. Every government organization will always try to improve the performance of its employees, hoping that what the organization's goals will be achieved. Different way is taken in improving the performance of employees, for example by looking for employees with integrity and have loyalty towards the implementation of the work of employees.

Integrity is a concept that points to consistency between actions and values and principles. In ethics, integrity is interpreted as honesty and the truth of one's actions. Loyalty is a condition of mental attitude to hold fast to loyalty both to the company, superiors, and colleagues. Performance is a work achievement that is the result of the implementation of a work plan made by an institution carried out by leaders and employees who work in the institution, both the government and companies (business) to achieve organizational goals. The relationship between the

independent variables and the dependent variables in this study can be seen in the conceptual framework in Figure below:
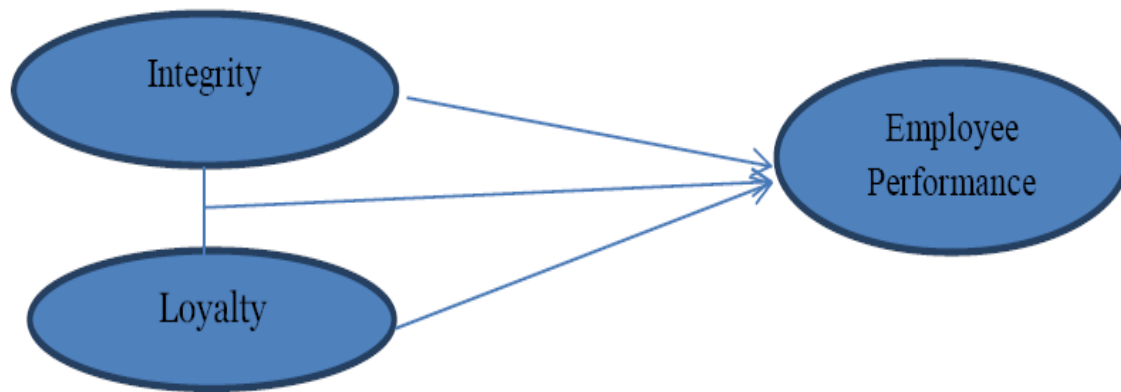
Conceptual Framework

Hypothesis

The hypothesis of this study are :

1. Integrity has a positive and partially significant effect on employee performance at the Sijunjung Regency Secretariat Office
2. loyalty has a positive and partially significant effect on employee performance at the Sijunjung Regency Secretariat Office
3. integrity and loyalty have a significant positive effect simultaneously on employee performance at the Sijunjung Regency Secretariat Office

II. METHOD

This research uses a quantitative approach. According to Sugiyono (2013) [7]. The quantitative research method based on the philosophy of positivism used to examine the population or a particular sample. Technique sampling is generally done at random, data collection using research instruments, data analysis is quantitative or statistics to test the hypothesis that has been set. The population in this study consisted of all civil servants in the SijunjungRegency secretariat office. The sampling technique in this study was a random sample with a sample of 120 respondents. Data were then collected through a questionnaire, and then the data were analyzed by regression tests.

III. RESULTS AND DISCUSSION

Normality test

Normality test is intended to show that the sample used is taken from populations that are not normally distributed.Data normality test aims to determine whether the data for all variables have a normal distribution or not. Testing data normality can be done through Kolmogorov-Sminorv (K-S) non parametric statistical test. If the Kolmogorov-Sminorv results show a significant value above 0.05, then the residual data are normally distributed.

Meanwhile, if the Kolmogorov-Sminorv results show a significant value below 0.05 then the residual data is not normally distributed.

Data Normality Test Results

One-Sample Kolmogorov-Smirnov Test

		Integrity	Loyalty	Employee performance
N		120	120	120
Normal Parameters[a]	Mean	43.77	35.90	43.53
	Std.Deviation	3.875	5.567	3.381
Most Extreme Differences	Absolute	.235	.222	.175
	Positive	.235	.222	.175
	Negative	-.146	-.203	-.148
Kolmogorov-Smirnov Z		1.284	1.216	.958
Asymp. Sig. (2-tailed)		.074	.104	.318

   a.   Test distribution is Normal.

From the table above it can be concluded that samples taken from the population are normally distributed because the Kolmogorov-Smirnov Z value is 0.493 and Asymp Sig. (2-tailed) 0.968> 0.05, it can be concluded that residual data is normally distributed.

Hypothesis test

As it is known that in this study the target of the study is to look at the effect of Integrity and Loyalty on the Performance of employees at the Sijunjung Regency Secretariat Office. Based on the proposed hypothesis, testing is carried out using multiple regression analysis. The results of partial hypothesis testing said that Integrity and Loyalty affect the performance of SijunjungRegency Secretariat Office employees. Together or simultaneously said that Integrity and Loyalty affect the performance of Sijunjung Regency Secretariat Office employees can be seen below:

Partial Test (T Test)

To determine the effect of each independent variable (Integrity and Loyalty) on employee performance dependent variables) using partial regression test result are shown in the following table :

Coefficients[a]

Model	Unstandardized Coefficient		Standardized Coefficient	T	Sig
	B	Std. Error	Beta		
Constant	6.527	5.737		1.138	.265
Integrity	.633	.106	.726	5.952	.000
Loyalty	.259	.074	.426	3.491	.002

    a.   Dependent Variable: Employee Performance

Based on the table above can be explained partial effect in the section below:

1) Integrity Variable (X1)
In the table above, we get t count for the Integrity variable (X1) of 5,952 and a significant level of 0,000. While the value of ttable at α = 0.05, df = (n-k-1) on df numerator 2, dfdeminator 27 is equal to 1,703. Because the value of tcount (5,952)> ttable (1,703) and a significant level of 0,000 <0.05, the decision is Ha accepted and Ho is rejected with the meaning that the Integrity variable (X1) has a positive effect on the employee performance variable (Y) at the SijunjungRegency Secretariat Office.

2) Employee Loyalty Variable (X2)
In the table above, it can be seen that the calculated Loyalty (X2) variable is 3,491 and the significance level is 0.002. While the value of ttable at α = 0.05, df = (n-k-1) on df numerator 2, dfdeminator 27 is equal

to 1,703. Because the value of tcount(3.491)>ttable (1,703) and a significant level of 0.002 <0.05, the decision is Ha accepted and Ho is rejected with the meaning that the variable Loyalty (X2) has a positive and significant effect on employee performance variables (Y) at the SijunjungRegency Secretariat Office

The research hypotheses used are:
H0 : = 0 means that the Integrity variable (X1) or Loyalty variable (X2) partially does not affect the employee performance variable (Y)
H1: $\neq$ 0 means that the Integrity variable (X1) or the loyalty variable (X2) partially affects the employee performance variable (Y)
Simultaneous regression test
Testing independent variables together against the dependent variable is done by the F test using a 95% confidence level or an error rate of 5%. The test results can be seen in the table below:

ANOVA[b]

Model	Sum of Squares	Df	Mean Square	F	Sig
Regression	201.784	2	100.892	21.006	.000[a]
Residual	129.683	27	4.803		
Total	331.467	29			

    a.   Predictors (Constant), Loyalty, Integrity
    b.   Dependent Variable: Employee Performance

From the table above produces a calculated F value of 21,006> F table value of 3,350 at df = (n-k-1) at df numerator 2, dfdeminator 27 at α = 5% (0.05). This means that all independent variables are able to explain the dependent variable, in other words the independent variables jointly influence the dependent variable at a 95% confidence level.
H0 = 0 means that if the value: then H0 is accepted and H1 is rejected, it means that Integrity (X1) and loyalty variable (X2) simultaneously have no effect on employee performance (Y)
H1 = $\neq$ 0 means if the value: then H1 is accepted and H1 is rejected, it means Integrity (X1) and loyalty variable (X2) simultaneously affect employee performance (Y)

The results of the multiple regression estimation
In order to make it easier to read the results and interpret multiple regression analysis, we use the equation as can be seen below.
$$Y = 6.527 + 0.633 X_1 + 0.295 X_2$$

The regression model above shows that the coefficient of the independent variable has a positive sign. This means an increase in one or all of the independent variables (Integrity and Loyalty) will be employee performance (independent variables) or otherwise.

Test the coefficient of determination
From the results of data processing obtained the coefficient of determination (R2) of 0.609 (60.9%) so it can be shown that 60.9% diversity of the dependent variable (employee performance) can be explained by the independent variables (Integrity and Loyalty) while the remaining 39.1% is influenced by other variables outside the model . Look at the table below:

Model Summary[b]

Model	R	R Square	Adjusted Square	Std. Error The Estim
1	.780	.609	.580	2.19159

    a.Predictors: (Constant), Loyalty, Employee Performance
    b.Dependent Variable: Employee Performance (Y)

IV. DISCUSSION

In this study using multiple linear regression analysis with ordinary last square (OLS) method which serves to determine whether there is an influence between the independent variable and the dependent variable. To determine the effect of integrity and loyalty on employee performance with the regression equation obtained:

$$Y = 6,527 + 0.633 X_1 + 0.295 X_2$$

Note:
Y = Predictable dependent variable
C = 6,527
I = 0.633
L = 0.259
X1, X2 = Independent variables

Based on the results of the linear regression equation above, then if the VIF value is less than 10 do not occur symptoms or variables X_1, X_2 and Y said the data obtained are normal. Regression coefficient for 0.633 means that every 100% increase in leadership style with the assumption that other variables are fixed, the employee's performance will increase by 63.3% and for X_1 by 5.952. Next, the regression coefficient is equal to 0.259 means that every 100% increase in loyalty assuming other variables are fixed, then the employee's performance will increase by 25.9% and X_2 by 3,491.

1. Regression analysis for integrity (X_1) on employee performance (Y). Based on the results of the study indicate that the value of tcount (5.952)>ttable (1.703) and the significance level of 0.000 <0.05, then Ha is accepted and H0 is rejected, meaning that the integrity variable (X_1) has a positive and significant effect on employee performance (Y)
2. Regression analysis for loyalty (X_2) on employee performance (Y). Based on the results of the study said that the loyalty variable (X_2) had a positive and significant effect on employee performance variables (Y), because the value of tcount (3,491)>ttable (1,703) and a significant level of 0.002 <0, then Ha was accepted and Ho was rejected by meaning that the variable loyalty (X_2) has a positive and significant effect on employee performance variables (Y). In this case, leadership style can be used as the main criteria for determining employee performance
3. Regression Analysis for X_1, X2 to Y Based on the results of the study said that the variable gintegrity (X_1) and loyalty (X_2) had a positive and significant effect on employee performance variables, because the value of Fcount (21,006)> t table 1,703) and a significant level of 0,000 < 0.05, then H1 is accepted and Ho is rejected with the meaning that the variables of integrity (X_1) and loyalty (X_2) have a positive and significant effect on employee performance variables (Y).

Factors forming integrity

Integrity is where an employee is required to be honest, brave, wise and responsible (Mulyadi, 2010). Furthermore, it states that integrity is a quality that underlies public trust and is a *benchmark* for employees in testing all decisions they make. Employees with integrity are employees who can bring what has been believed to be true in reality [8]. According to Zahra (2011), integrity is a commitment to do everything by the principles that are right and ethical, by values and norms, and there is a consistency to continue to make these commitments in every situation without seeing any opportunity or coercion to get out of principle [9].
Humanistic psychologist Rogers (1961). The factor is a unified whole (coherence), which means that all of these factors cannot be broken because interlinked with each other. Individuals are said to have integrity if they have all of these factors. These factors are [10] :

1. Honest

Honest means not denying conscience, speaking and acting according to personal values held firmly and maintaining a commitment to others, then individuals are said to be honest if they accept and can take responsibility for their feelings and behavior as they are. Despite holding close to the principle of honesty, but in situations that are full of deception and must face dishonest people, individuals who have high integrity will act and rebuke by considering various things and not hurt.

2. Firm

Firm means not violating the principle of carrying out obligations, cannot be bribed or invited to commit fraud even though there is material temptation or encouragement from others. Peterson and Selignman (2004) state two situations that make an individual said to have persistence. First when they have to face unfavorable situations such as opposition and distrust and the second when they have to face difficulties or situations of danger [11]. Firmness that has integrity is considered to arise in the first situation because integrity involves a choice between several actions or ways.

3. Having strong self-control

Self-control is defined as the ability of individuals to control or monitor responses to fit their life goals and moral standards. To be able to treat others, even people who are not well-liked, individuals must have strong The ability of individuals to control or monitor responses, in addition to being important for maintaining behavior by life goals and moral standards, is also important for dealing with others (Peterson and Seligman, 2004) [11]. Individuals who have strong self-control do not easily show emotional reactions through speech or posture. Individuals who have self-control look calm when faced with stimuli that provoke emotions, this makes others more comfortable dealing with them.

4. Having self-esteem high

Self-esteem is the belief that individuals can behave according to moral values that are believed. Blasi (2004) refers to self-esteem as an individual's positive feeling that he is moral and able to carry out moral principles [12]. Because it comes from beliefs, according to Mecca et al. (1989) believed that self-esteem can increase good behavior and determination [13].

Employees who have integrity are valuable assets for the organization. Starting from the recruitment process, getting people with integrity means getting the truth from the life and work history of the employee. Work is carried out transparently and can be guaranteed accountability so that the performance measurement of the employee's work is more accurate. Employees who have integrity are also likely to be positive in job satisfaction because there is no fear of going to the unfolding of lies and fraud committed in everyday working life. The work environment will tend to be positive because employees with integrity will be far from deviant tendencies, especially corruption and abuse of authority in the work organization and the work power entrusted to the employee.

Factors that affect loyalty

Porter and Steers (1982) in Pandey&Khare (2012), employee loyalty is a manifestation of organizational commitment, with identification of the relative strengths of each individual and involvement in a particular organization [14]. Hasibuan (2013), stated that loyalty or loyalty is one of the elements used in employee assessments that include loyalty to their work, position and, organization. This loyalty is reflected by the willingness of employees to maintain and defend the organization inside and outside the work of people who are not responsible [15]. According to Drever (2006) (in Adha& Ibrahim, 2013), loyalty is an attitude/ feeling of loyalty to a person or group that is felt like an obligation and a sense of love [16].
Loyalty according to Meyer and Hersovitch in Oei (2010) is a "psychological condition that binds employees and the company", if this psychological condition is created in employees it will be able to suppress the desire of employees to leave the company where he works [17]. According to Poerwadarminta (2002 in Hamzah, et al 2013) loyalty can be interpreted by loyalty, devotion and, trust given or directed to a person or institution, in

which there is a sense of love and responsibility to try to provide the best service and behavior [18].

According to Siagian (2010) loyalty is the tendency of employees working for the company not to move to another Based on some of the above definitions, it can be concluded that a person's loyalty was loyalty to his job by trying me give the best service [19]. What job loyalty will be created if employees feel fulfilled in meeting the living needs of their work, so they feel comfortable working in a government organization. Yuliandri in VanneciaMarchelleSoegandhi (2013) asserted that the factors that influence employee loyalty are the presence of work facilities, welfare review, work atmosphere in government organizations [20].Furthermore, Steers and Porter in Kusumo (2006) stated that the emergence of work loyalty is influenced by four factors, namely [14] :

   a. Personal Characteristics
     Includes age, years of service, gender, level of education, achievements, race and some personality traits.
   b. Job characteristics
     The form of work challenges, *job stress* social interaction opportunities, *job enrichment*, task identification, task feedback, and task compatibility.
   c. Design characteristics concerning internal government organizations that can be seen from decentralization, the level of formalization, the level of participation in decision making, at least it has shown various levels of association with responsibility
   d. Experience gained in work
     Includes a positive attitude towards government organizations trust in a positive attitude and a sense of security.
     Employee loyalty is not only measured by loyalty in government organizations. The main thing is that employees can make a meaningful contribution to government organizations.

Employee integrity and performance

Professional Ethics Principles of the Indonesian Accountants Association in Agoes (2012) [21].stating integrity is an element of character that underlies professional recognition. Integrity is a quality that underlies public trust and is a benchmark for members in testing all decisions they make. Integrity is a quality that makes the emergence of public trust and the highest value order for members of the profession in testing all of its decisions.

An employee must be honest and transparent, brave, wise and responsible in carrying out the work given. These four elements are needed to build trust and provide reliable decisions for decision making so that employees will be good and performance will be good (Erina *et al*, 2012) [22].

Employee loyalty and performance

If someone has loyalty and loyalty to a thing, then that person is willing to sacrifice for what he believes. According to Reichheld, in Susanto (2013) the higher the employee loyalty in his work, the easier it will be to improve the performance and achievement of the goals set by an agency. Conversely, if employee loyalty is low, the more difficult the achievement of objectives predetermined by the agency. So that employee loyalty must be considered by the agency because it is an important factor [23].

CONCLUSION

Based on the results of research and discussion that has been described, it can be concluded that integrity and loyalty to employee performance at the Regional Secretariat Office of Sijunjung Regency. This can be described as follows:

1. From the estimation results, the variables of integrity and loyalty partially affect the performance of employees at the Regional Secretariat Office of Sijunjung Regency. With a tcount (5.952)>ttable (1.703) and a significance level of 0.0000 <0.05, Ha is accepted and H0 is rejected, meaning that the integrity variable (X_1) influences employee performance. Then the loyalty variable influences employee performance as indicated by tcount (3.491)>ttable (1.703) and a significant level of 0.002 <0.05, then the decision is Ha accepted and Ho is rejected with the meaning that the loyalty variable (X_2) influences the performance variable staff at the Sijunjung Regency Secretariat Office. Integrity variables and loyalty variables together (simultaneously) have a positive and significant effect on employee performance at the Regional Secretariat Office of Sijunjung Regency. With a Fcount of 21,006>Ftable of 3,350 in df numerator 2, dfdeminator 27 with a significant level of 0,000 <0.05. This means that all independent variables of integrity and loyalty are able to explain the independent variables $(X_1$ and $X_2)$ in other words the independent variables jointly influence the dependent variable at the 95% confidence level.

2. The coefficient of determination $(R2)$ of 0.609 (60.9%) so that it can be shown that 60.9% diversity of the dependent variable (employee performance) can be explained by the independent variables (integrity and loyalty) while the remaining 39.1% is influenced by other variables outside model

REFERENCES

[1] Edy Sutrisno.2009 Human Resource Management. Jakarta: Prenade Media Group

[2] Mathis, R.L. & J.H. Jackson. 2006. Human Resource Management: Translated by Dian Angelia. Jakarta: SalembaEmpat

[3] Hasibuan, S.P Malayu .2005. Human Resource Management: Revised Edition, Jakarta: BumiAksara

[4] Poerwopoespito.2004.Commitment in Human Resources. Jakarta: Management Student

[5] Sinamo, Jansen. 2011.8 Professional Work Ethics. Jakarta: The Dharma Mahardika Institute

[6] Poerwadamionta,2002."Big Indonesian Dictionary, Ministry of national education, third edition, Jakarta: BalaiPustaka

[7] Sugiyono. 2013. Educational Research Methods Quantitative, Qualitative, and R&D Approaches. Bandung: Alfabeta.

[8] Mulyadi. 2000. Cost Accounting fifth Edition. Yogyakarta: Aditya Media.

[9] Zahra. 2011.Influence of Integrity, Competence and Leadership Loyalty on the Trust of Subordinates in SBU Shipping PT. Pusri Palembang. Scientific Journal of Business Oration, VI, 2085-1375.

[10] Rogers, Everett, M. 1961. Diffussion of Innovation.Canada : The Free Press of Macmillan Publishing Co.

[11] Seligman, E. P. M., & Peterson, C. 2004. Character Strengths and Virtues, A Handbook and Classification. American Psychological Association. New York : Oxford University Press.

[12] Blasi, Joseph, Michael Conte and Douglas Kruse.2004. "Employee Stock Ownership and Corporate Performance Among Public Companies." Industrial and Labor Relations Review.. pp. 60-79.

[13] Mecca, R S. 1989.Postoperative Recovery. Dalam: Barash PG, Cullen BF, Stoelting RK, penyunting. Clinical Anesthesia.Edisi ke-7. Philadelphia: Lippincott Williams & Wilkins;Halaman: 1380–1385.

[14] Steers, R.M. and Porter, L. W. 2006. Motivation and Work Behavior. New York: McGraw-Hill Book Company

[15] Hasibuan, S.P Malayu .2005.Human Resource Management. Revised Edition, Jakarta: Earth Literacy

[16] A.A GedeKresnayanaPramana, I NyomanSudharma. 2013. Effect of Compensation, Physical Work Environment and Work Discipline on Employee Performance. Faculty of Economics, Udayana University (Unud).

[17] Allen, N.J. and Meyer J.P. 2010. The Measurement and Antecendents of Affective, Continuance and Normative Commitment to The Organization, Journal of Occupational Psychology. Vol.63. No.1. pp. 1-18

[18] Poerwadamionta.2002. Big Indonesian Dictionary, Ministry of national education, third edition, Jakarta: BalaiPustaka

[19] Siagian, Sondang. P.2010. Human Resource Management.BumiAksara, Jakarta

[20] Soegandhi., dkk. 2013.The Effect of Job Satisfaction and Job Loyalty on Organizational Citizenship Behavior on the Employees of PT. Surya TimurSakti East Java. Agora Vol. 1, No. 1

[21] Agoes, Sukrisno.2012.Book I, Fourth Edition. Auditing Practical Instructions for Accountant Examination by Public Accountants. Jakarta: SalembaEmpat

[22] Erina, dkk. 2012.The Effect of Integrity, Objectivity, Confidentiality and Competence on the Performance of the Government Internal Oversight Apparatus (Study at the Aceh Inspectorate), Journal of Accounting Postgraduate Syiah Kuala University Vol 2 No. 1 ISSN2302-0164.

[23] Susanto, Frankydan Prof. Dr. HataneSemuel, MS. 2013.The Influence of Relationship Marketing on Customer Loyalty of PT Mitra 10 Surabaya. Journal of Marketing Management Vol. 1, No. 1, 1-15