

# Analysis of Human Resources Competency in Improving Employee Performance of the Cooperative, Micro Business and Trade Service

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## Abstract

This research aims to determine and analyze employee competency and how to improve employee competency at the Banyuwangi Regency Cooperatives, Micro Enterprises and Trade Department. This research uses a qualitative descriptive approach where data will be analyzed descriptively originating from interviews, notes and the author's observations. The sampling technique in this research used a purposive sampling technique. Data collection techniques in this research are observation, interviews, literature study and documentation. The data analysis approach in this research uses data reduction, data presentation and drawing conclusions. The validity of this research includes data credibility, dependability and confirmability. Based on the results of data analysis, it shows that the competency of employees at the Banyuwangi Regency Cooperatives, Micro Enterprises and Trade Service is good according to their expertise. This can be seen from the suitability of work areas to competencies, proof of competency, support for increasing competency, and overall, the human resource management system in this service is effective in creating good employee performance, contributing to increasing organizational effectiveness. The way to improve employee competency at the Banyuwangi Regency Cooperatives, Micro Enterprises and Trade Department is by providing coaching, evaluating and assessing performance, as well as giving rewards to employees who excel. This holistic approach which includes coaching, evaluation and providing rewards will increase employee competency effectively and efficiently, support human resource development and strengthen the overall performance of the organization.

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## 1. INTRODUCTION

The Cooperatives, Micro Enterprises and Trade Service is part of the national business world, has a very important position, potential, and role and strategy in realizing the goals of economic development in particular (Varga, 2021). Cooperatives, Micro Enterprises and Trade are business activities that are able to expand employment opportunities and provide broad economic services to the community, can play a role in the process of equalizing and increasing community income and encouraging economic growth and playing a role in realizing national stability in general and economic stability in particular (Camargo Benavides & Ehrenhard, 2021). The Cooperatives, Micro Enterprises and Trade Service makes a significant contribution to expanding employment and business opportunities, forming national products, and increasing and equalizing income (Ayalu et al., 2023).

The Banyuwangi Regency Cooperative, Micro Business and Trade Service has a role in developing and building the capabilities and potential of cooperative members in particular and the community in general to improve socio-economic welfare. The function of the Banyuwangi

Regency Cooperative, Micro Business and Trade Service is to assist in the formulation of technical policies in the field of micro business marketing for the implementation of government affairs and services in the field of micro business marketing in accordance with the provisions stipulated by the Regent, development, coaching, marketing and implementation of activities in the field of marketing, the Cooperative, Micro Business and Trade Service and general administration management, including general affairs, financial affairs, personnel affairs and equipment of the Service. For this reason, good management is needed to regulate people or employees effectively and efficiently, so that the goals set by government agencies or institutions can be realized. In a government agency, everything that is done is required to be able to run quickly, smoothly and in a directed manner in order to adjust to the actions of modernization that continue to develop and achieve goals effectively and efficiently. In maintaining its survival, government agencies need to be supported by human resources that meet the quality and quantity and appropriate conditions.

Humans as employees or staff who are the most important management resources must be utilized carefully, effectively and completely (Saks, 2022). Therefore, a government agency needs to strive for existing workers to work according to their fields and expertise (Dondi et al., 2021). To achieve the goals of an effective and efficient government agency, government agencies need to improve employee performance, in improving employee performance, a government agency can do several things, namely by selecting competent employees, conducting training, education (Sulistyan et al., 2022), providing proper compensation, creating a conducive work environment (Sulistyan, 2017). Human resources in addition to having certain competencies that can be utilized by government agencies to achieve their goals also have motivations, ideals, values that need to be considered by government leaders. In addition to competence, evaluation is very influential in government agencies to ensure that employees in an agency have met standards or even exceeded expected goals (Sulistyan et al., 2019). Competence is the ability to carry out activities in work or standard work functions expected, while performance is the level of achievement of certain task implementation results (Cen et al., 2021). Performance can also be viewed as a process of how work takes place to achieve work results (Sulistyan et al., 2020).

The results of the work show that the performance of the agency depends on human resources, including leaders and workers. Therefore, each government agency must prepare an employee competency development plan in the annual budget to support the career development of civil servants. Civil servant career development must pay attention to competency, because the position of civil servants in the era of reform and regional autonomy is very strategic. The quality of government administration and public services depends on the competence of civil servants. The development of employee competency through formal education aims to improve knowledge and expertise according to regulations. Study assignments are given to meet job competency standards and career development. This regulation shows the seriousness of the government in improving employee competency for competitiveness and quality of public service, considering that the challenges faced by employees are increasingly complex and they need to adapt to technological developments.

Competence is everything that a person has in terms of knowledge, skills, and other internal factors of an individual to be able to do a job based on his/her knowledge and skills. Competence has a very important role, because in general competence concerns a person's basic ability to do a job. To achieve maximum and satisfactory work results, competence is needed by an employee in carrying out his/her work duties so that employee performance can increase. Therefore, government agencies, especially the Banyuwangi Regency Cooperatives, Micro Enterprises and Trade Service, need to strive for workers who can work according to their fields and expertise.

In general, employees at the Cooperatives, Micro Enterprises and Trade Service of Banyuwangi Regency already have good competencies. However, the phenomenon that occurred based on the results of observations in December 2023 saw that there were still vacancies in several structural and functional positions, there were employees who worked concurrently, due to filling the vacancies of officials who were entering retirement. So that the problems that are still seen in the Banyuwangi Regency Cooperatives, Micro Enterprises and Trade Service are the existence of vacant positions due to retirement and the existence of concurrent positions or tasks outside of responsibilities in areas that are greatly needed. The existence of employees who work concurrently greatly affects the quality or performance of employees.

According to Moehersono (2014), competence is a basic characteristic of personnel which is

a determining factor in whether or not someone is successful in carrying out a job or in a certain situation. According to Abdullah (2013), the components that form competence are: (1) Knowledge; (2) Skills; (3) Self-concept; (4) Self-characteristics; (5) Motives.

Competency-based Human Resources can increase capacity and build foundations because if people working in an organization have the right competencies according to the demands of their work, then they will be capable in terms of knowledge, skills, mentality and productive character.

According to Telambanua (2020) the results of this study indicate that the Human Resources Competence at the Gunungsitoli City Population Service Office can be said to be appropriate, although there are several Population Service Apparatus whose educational background does not match the duties they are entrusted with, but with good knowledge and good coordination between fellow employees, of course the obstacles encountered can be resolved.

In addition to individual abilities, employee skills in carrying out their duties further increase Human Resource Competence because employees feel motivated to complete the tasks given, this is due to the supervision of each superior towards employees in carrying out their duties.

### **Human Resource Management**

Human Resource Management According to Hasibuan (2019), Human Resource Management is the science and art of managing relationships and roles of the workforce to effectively and efficiently help achieve the goals of the company or agency, employees, and the community. Human resource management is a field of management that focuses on the staffing function in the management process. Human resource management is often also referred to as human resource management (HRM) and personnel management. In accordance with article 55 of Law No. 5 of 2014, the scope of HR management in government includes: preparation and determination of needs, procurement, rank and position, career development, career patterns, promotions, transfers, performance appraisals, salaries and benefits, awards, discipline, dismissal, pension and old age security, and protection.

### **Employee Performance**

Employee performance is the achievement of employees in completing their work within a specified time period. Government agencies can be said to be successful if the performance of human resources strives to improve employee performance to achieve the goals of government agencies that have been set. Employee performance is the achievement of employee results in a process of carrying out their duties in accordance with the responsibilities given. Improving employee performance will have a positive impact on government agencies, so that employees have a good and optimal level of performance to help realize government goals. According to Robbins (2017) performance indicators are tools to measure the extent to which employee performance has been achieved. The indicators for measuring employee performance are Work Quality, Quantity, Timeliness, Effectiveness, and Independence. The quality of employee work can be measured from employee perceptions of the quality of work produced and the perfection of tasks against employee skills and abilities.

### **Competence**

According to Edison et al. (2016) Competence is an individual's ability to carry out a job correctly and have advantages based on matters relating to knowledge, skills, and attitudes. Meanwhile, Sudiarti (2020) stated that human resource competence is the ability possessed by a person related to knowledge, skills, and personality characteristics that directly affect performance that can achieve the desired goals. According to Wiguna (2017), human resource competency indicators include:

- a. Self-development. The ability to make changes in all areas, especially behavior and the ability to develop oneself.
- b. Professional. Ability to understand every job given and ready to develop the skills possessed.
- c. Mastery of technology. Ability to master technology in the work process.
- d. Level of education. The ability to have the appropriate knowledge or educational background in carrying out the field of work.

Expertise. The ability to be accountable for one's work in detail and also have the ability to solve problems effectively and efficiently.

## 2. METHOD

This study uses a qualitative descriptive approach where the data will be analyzed descriptively from the results of interviews, notes, and observations of the author. Notes will be analyzed to systematically describe the focus of the study which includes the analysis of human resource competencies in improving employee performance at the Cooperatives, Micro Enterprises and Trade Service of Banyuwangi Regency. Data analysis aims to describe the actual conditions in the field.

The sampling technique in this study used the Purposive sampling technique. Purposive sampling is a data source sampling technique with certain considerations, namely the person concerned is considered to know the most about the problem to be studied. The informants in this study were the head of the department, head of the section, head of the program preparation sub-section, and 2 civil servant employees who had worked for at least 10 years. Data collection techniques according to Sugiyono (2019), are the most important step in research, because the main purpose of the research is to obtain data. Without knowing the collection technique, the researcher will not get data that meets the established data standards. The researcher used several data collection techniques in this study, namely observation, interviews, literature studies and documentation.

### Research Stages

The steps taken by researchers are to visit the research location to find out the condition of the research environment and then collect data by meeting informants to conduct interviews. From these interviews, researchers can obtain information in accordance with the research objectives. Data from the field obtained from depth interviews will be selected based on discourse that can answer a research focus that is in accordance with the research objectives. Describe and group the differences and similarities of informants. Compile tables according to the interview results and code each discourse. After that, analyze and interpret in the discussion.

### Research Approaches and Types

This study uses a case study approach with interactive analysis. Interactive analysis according to Miles and Huberman (1994), researchers will analyze in depth by describing and reviewing, then interpreting using the MDAP method (manual data analysis procedure) on what is conveyed by research respondents.

### Validity of Research

1. Data credibility  
This data test is conducted to be able to explain the results/findings of the research in accordance with the existing conditions. Credibility testing is interpreted as checking data from various sources at various times.
2. Source Triangulation, to test the credibility of data is done by checking data that has been obtained from several sources.
3. Technical triangulation, to test the credibility of the data is done by checking the data with the same source using different techniques.
4. Dependability  
The data in this study were obtained by conducting an audit, which is an effort to examine the research process including data and data sources from beginning to end. For example, it can start when determining the problem, going into the field, choosing data sources, conducting data analysis, conducting data validity tests, and making research report results.
5. Confirmability (Objectivity)  
Confirmability testing in this study is to see objectivity with the research objectivity test. Confirmability is achieved by minimizing the subjective factor of the researcher. Data validity is data that does not differ between the data obtained and the data that actually occurs on the object.

### 3. RESULTS AND DISCUSSION

#### 3.1. Results

The Cooperatives, Micro Enterprises and Trade Service is a new regional apparatus, a change and merger of the Cooperatives and Micro Enterprises Service and the Industry and Trade Service, this is based on Regional Regulation Number 10 of 2019 concerning Amendments to Regional Regulation Number 8 of 2016 concerning the Formation and Composition of the Banyuwangi Regency Regional Apparatus. The main duties of the Cooperatives, Micro Enterprises and Trade Service are stated in the Banyuwangi Regent Regulation Number 78 of 2019 concerning the Position, Organizational Structure, Duties and Functions and Work Procedures of the Cooperatives, Micro Enterprises and Trade Service of Banyuwangi Regency, namely assisting the Regent in carrying out government affairs in the field of cooperatives, micro enterprises and trade which are the authority of the region and the assistance tasks given to the Regency.

To carry out the main tasks referred to, the Banyuwangi Regency Cooperatives, Micro Enterprises and Trade Service has the following functions:

1. Formulation of policies in the field of cooperatives, micro-enterprises and trade;
2. Implementation of policies in the field of cooperatives, micro-enterprises and trade;
3. Implementation of evaluation and reporting in the field of cooperatives, micro-enterprises and trade;
4. Implementation of the administration of the Service;
5. Implementation of other functions assigned by the Regent related to his duties and functions

Human resources will determine the success of implementing government agency activities. Therefore, in achieving organizational goals, adequate human resource competency is needed to drive employee performance. In a government agency, everything that is done is required to be able to run quickly, smoothly and directed in order to adjust to the modernization actions that continue to develop and achieve goals effectively and efficiently. In maintaining its survival, government agencies need to be supported by human resources that meet the quality and quantity and appropriate conditions.

A government agency needs to strive for existing workers to be able to work according to their fields and expertise. Competence as a basic characteristic of a person that allows them to produce superior performance in their work. Competence is also a deep and inherent part of a person's personality with predictable behavior in various circumstances and work tasks. From the results of the interview (interview table attached) with informants, that the competence of employees of the Cooperatives, Micro Enterprises and Trade Service of Banyuwangi Regency is in accordance with what is desired. This is in accordance with the following information:

"Yes, as we said above, ma'am, the competency of employees at DISKOPUMDAG (Cooperatives, Micro Enterprises and Trade Service) in general has met our service standard criteria, although there are several things that we noted earlier, in essence it is in accordance with the standards." *(Results of interview with Head of Service)*

This is in line with the following information:

"Well, in terms of employee competency, from what I have seen so far, it has been in accordance with the needs of the organization and the field run by Mrs. Mauli, maybe only the number is very, very limited, but what's more, the employees here, in terms of competency, are already sufficient to meet the needs of the office." *(Results of interview with Head of Program Preparation Sub-Division )*

In addition, existing employees or workers can work according to their fields and expertise. This is in accordance with the following information:

"In my opinion, it's okay, eee I happen to be here eee as the compiler of activity plans and budgets, eee where in this position it is necessary to coordinate eee with the fields, especially to collect what materials or data for the needs of eee service data." *(Results of interview with*

*the Activity and Budget Plan Compiler )*

This is in line with the following information:

"Yes, it is appropriate, it is appropriate, it is in accordance with the field of work that I have."  
*(Results of interview with Head of Program Preparation Sub-Division )*

In addition, to achieve the goals of effective and efficient government agencies, government agencies need to improve employee performance. The ability of human resources in agencies can be improved through training activities and employee coaching held by the local government. From the results of interviews with informants, the Office of Cooperatives, Micro Enterprises and Trade of Banyuwangi Regency has conducted coaching to improve employee competence. This is in accordance with the following information:

"For employee competency, we provide the opportunity and opportunities for all employees, especially those who already have the nggeh requirements, to take part in several additional eee, such as training and training, such as other competency development." *(Results of interview with Head of Service)*

This is in line with the following information:

"So far, there's usually technical guidance, maybe just training, ma'am." *(Results of interview with the Activity and Budget Plan Compiler)*

This information was also strengthened by one of the informants with the following information:

"Incidentally, yesterday I participated in digitalization training, previously I also participated in cooperative supervision training and yesterday I graduated, thank God, as a functionary, I am still waiting for the decree and certificate as a periodic development competency from both the service and the East Java Provincial Training Center." *(Results of interview with Cooperative Analyst)*

From the information or opinions of the informants above, it shows that in order to improve employee competence , the Banyuwangi Regency Cooperatives, Micro Enterprises and Trade Service has implemented coaching by involving its employees in participating in technical guidance and training so that this can improve employee competence . In addition to competence, evaluation is very influential in government institutions to ensure that employees in an agency have met standards and even exceeded the expected goals. Evaluation is important for management because it is the basis for making decisions that affect salaries, promotions, training, and other employee conditions. In accordance with this, there is the following information:

"In addition to the performance assessment from the system, we also evaluate employee performance through evaluation meetings that are held every month and also routinely, usually every month, not only every month, there are indeed things that must be evaluated immediately, we conduct evaluations as soon as possible, eee if the routine is every month, so in that forum every employee is required to report the obstacles faced when we complete a job so that these obstacles can be resolved immediately, either through the process of exchanging ideas between employees or from their respective superiors." *(Results of interview with Head of Program Preparation Sub-Division )*

This information was confirmed by one of the informants with the following information:

"If the performance evaluation is every month, there is Mrs. Maul, so in performance it already exists, in performance we provide reports in Banyuwangi Regency every 3 months, but it turns out that from the center we have to fill in the SKP every 1 month including in the e-performance system which makes the TPP an evaluation of how many percent we have implemented this month, so it also affects *the rewards* received." *(Results of interview with Head of Micro Business Division )*

In addition to evaluation, employee performance assessments are also carried out at the Banyuwangi Regency Cooperative, Micro Business and Trade Service. The information is in

accordance with the following information:

"In general, with all employees in Banyuwangi Regency, if nationally there is already a SKP and a system, and in Banyuwangi, the name of the performance has been implemented, so that all performance is entered and it will become rupiah and it will be a *reward* for the employees concerned. By carrying out the performance every day that is entered, it will become rupiah which will later be collected into the name of the TPP, so that friends in Banyuwangi, especially in the Office, their work is very focused and ee spurred on." (*Results of interview with Head of Micro Business Division* )

This information was confirmed by one of the informants with the following information:

"Yes, for performance assessment, actually, there is a system called SIMK, there is also SKP from what is it called, Kemenpan, which is online, employee performance is also carried out routinely on a monthly basis, so from SIMK it is also assessed for the Regency with the employee performance management information system, every month there is also an employee performance assessment, SKP, there is also an employee performance assessment every month, maybe that's what the agency has done in assessing employee performance so far, that's what I know so far, so every month if it used to be annual, SKP, this year it has started to be monthly " (*Results of interview with Head of Program Preparation Sub-Division* )

From the statements above, that in the Cooperatives, Micro Enterprises and Trade Service of Banyuwangi Regency, employee performance evaluations and assessments have been carried out routinely, so that this can be used as a reference for employees to improve their performance. In addition to this, there are several factors that can affect the performance of employees of the Cooperatives, Micro Enterprises and Trade Service of Banyuwangi Regency. This can be seen from the following information:

"Yes, of course, increasing productivity has several things that we must also pay attention to, yes, ma'am. In increasing productivity, of course, *rewards* and *punishments* are also at the forefront, in relation to this *reward* , we give awards to employees who excel with the criteria that we determine, even though it is only in the form of a certificate or plaque that we make, but it also becomes an encouragement for employees who we give *rewards* to and also becomes a motivation for other friends to be able to emulate the friends we appoint to become outstanding employees and also related to *punishment* , ma'am, if we judge that there are employees in our office, the Cooperatives, Micro, and Trade Office, who in quotation marks, commit violations." (*Results of interview with Head of Service*)

This information was confirmed by one of the informants with the following information:

"In Banyuwangi Regency, the Regent often gives examples of how the Regent works, how the Regent works to improve, eee, to achieve several innovations in Banyuwangi Regency, geh, so that automatically all those below him are motivated to give their best performance, especially in Banyuwangi Regency, there are already *rewards* so that eee all employees in Banyuwangi are already directed by the existence of *the reward* , how this *reward* can be achieved because there is already good performance innovation." (*Results of interview with Head of Micro Business Division* )

This information is also supported by the following information:

"In terms of eee, it is possible that what affects employee performance individually is motivation, competence, health both physically and mentally, and the attitude and behavior of employees play an important role in determining how well they carry out their duties. And at the organizational level, there may be effective leadership factors, there is also a positive work culture, working conditions also support and a fair reward and recognition system can also improve employee performance, a comfortable and harmonious work environment and technology support also contribute to employee performance productivity." (*Results of interview with Head of Program Preparation Sub-Division* )

The statement shows that the factors that can affect the performance of employees of the Cooperatives, Micro Enterprises and Trade Service of Banyuwangi Regency are *rewards* ,

motivation, competence, physical and mental health, as well as employee attitudes and behavior , culture, environment and effective leadership factors . In order to improve employee performance, efforts need to be made. This can be seen from the following information:

"The first thing that is done to improve employee performance is to carry out routine monitoring and evaluation so that all employee performance can be monitored." *(Results of interview with Head of Program Preparation Sub-Division )*

This is reinforced by the following information:

"With the limited human resources available, ma'am, the strategy that we are doing that I am doing is to empower these human resources, eee, the first is that we build good relationships between personnel in this office because we want the non-formal relationship in this Cooperative Office to be well established, because we have a principle that if this non-formal relationship runs well, the formal relationship will definitely run. Well, we always prioritize the mission, what is the principle for eee, togetherness, collaboration and family, because what is important is that formal communication also runs, but informal communication runs even better." *(Results of interview with Head of Service)*

From the statements above, the efforts made to improve the performance of employees of the Cooperatives, Micro Enterprises and Trade Service of Banyuwangi Regency are by conducting routine monitoring and evaluation, establishing good relationships, collaboration and communication between employees and departments.

### **3.2. Discussion**

#### **Employee Competence at the Cooperatives, Micro Enterprises and Trade Service of Banyuwangi Regency**

The implementation of government and public services is highly dependent on the competencies possessed and mastered by civil servants. Competency development in the form of education is carried out to improve employee knowledge and expertise through formal education in accordance with the provisions of laws and regulations, given in the form of study assignments with the intention of meeting the needs of job competency standards and career development. The regulation of competency development for employees provides legality that the government is serious in efforts to improve the competency of each employee to increase competitiveness which will have implications for improving the standards and quality of service to the community, because in the future the challenges faced by employees are not easy, they must immediately prepare themselves and be adaptive to developments in knowledge and technology.

In order to carry out agency work, everything done by employees in government agencies is required to be able to run quickly, smoothly and directed and adjust to the actions of modernization that continue to develop to achieve goals effectively and efficiently. Therefore, government agencies, especially the Office of Cooperatives, Micro Enterprises and Trade of Banyuwangi Regency, need to strive for workers who can work according to their fields and expertise. According to the results of interviews with informants, employees at the Office of Cooperatives, Micro Enterprises and Trade of Banyuwangi Regency already have good competence. This good predicate is obtained by having expertise in accordance with their field of work. So that the work done achieves maximum and satisfactory results which increase employee performance.

From the statement above, it shows that employees have in-depth knowledge and skills according to their field of work. This reflects that employees have received adequate training and education for the tasks they carry out. Each employee has special skills that are relevant to their work, allowing employees to carry out tasks with high efficiency and effectiveness. These skills include technical and non-technical aspects needed in the cooperative, micro-enterprise, and trade sectors. With the right competence and expertise, employees can achieve optimal work results. This includes achieving targets, completing tasks on time, and improving the quality of service to the community or stakeholders. The combination of good competence and expertise that is in accordance with their field of work contributes directly to improving employee performance. Employees are more productive, efficient, and effective in carrying out their duties.



This improvement in employee performance also has a positive impact on the overall performance of the organization. The Banyuwangi Regency Cooperative, Micro-Economy, and Trade Service can achieve its goals and missions better, provide better services to the community, and support local economic growth.

Overall, employee competence and expertise that are in accordance with their field of work are key factors that support improved performance at the Banyuwangi Regency Cooperatives, Micro Enterprises, and Trade Service. This shows that investment in human resource development through appropriate training and education can provide significant results in increasing organizational efficiency and effectiveness. This is in accordance with the results of observations and interviews conducted by researchers. This study supports previous studies, namely Puspitasari (2018), Telambanua (2020), Asbullah and Suharno (2022), Waruwu et al. (2023), which stated that employee competence is good and in accordance with their expertise.

### **How to Improve Employee Competence at the Cooperatives, Micro Enterprises and Trade Service of Banyuwangi Regency**

The ability of human resources in an agency can be improved through training activities or employee development held by the local government. From the informant's opinion, to improve employee competence, the Banyuwangi Regency Cooperative, Micro Business and Trade Service has carried out development by involving its employees in participating in technical guidance and training so that it can improve employee competence. In addition to competence, evaluation is very influential in government institutions to ensure that employees in an agency have met the standards and even exceeded the expected goals. In addition to evaluation, employee performance assessments are also carried out routinely, so that it can be used as a reference for employees to improve their performance. According to the results of interviews with informants, the factors that can affect the performance of employees of the Banyuwangi Regency Cooperative, Micro Business and Trade Service are rewards, motivation, competence, physical and mental health, as well as employee attitudes and behavior, culture, environment and effective leadership factors.

A good reward system can increase employee motivation and work enthusiasm. These rewards can be in the form of financial incentives, recognition, or job promotions that encourage employees to work harder and achieve better results. Intrinsic and extrinsic motivation play an important role in employee performance. Intrinsic motivation such as a sense of personal satisfaction and commitment to the job, as well as extrinsic motivation such as salary and benefits, can increase productivity and work efficiency. Competence that includes employee knowledge, skills, and abilities is very important. Employees who have high competence tend to be better able to complete tasks well and achieve expected results. Good health, both physical and mental, allows employees to work optimally. Healthy employees tend to be more productive, less absent, and better able to cope with work pressure.

Positive attitudes and professional behavior of employees contribute to a conducive work environment. Good attitudes include discipline, responsibility, and good cooperation with coworkers. A supportive and inclusive organizational culture can encourage employees to work more effectively. A positive culture includes values such as integrity, innovation, and teamwork. A comfortable and supportive work environment can improve employee performance. This includes adequate physical facilities, a harmonious work atmosphere, and support from coworkers and superiors. Good leadership greatly influences employee performance. Effective leaders are able to provide clear direction, support employee development, and create a positive work environment. Overall, employee performance at the Banyuwangi Regency Cooperatives, Micro Enterprises, and Trade Service is influenced by a combination of these factors. To achieve optimal performance, it is important for organizations to pay attention to and manage all of these factors holistically.

In order to improve employee performance, efforts need to be made. Efforts made to improve employee performance at the Banyuwangi Regency Cooperatives, Micro Enterprises and Trade Service are by conducting routine monitoring and evaluation, establishing relationships, collaboration and good communication between employees and departments. Conducting routine monitoring means that there is continuous supervision of employee performance. This allows management to detect problems early and take corrective action quickly. Routine evaluation helps in assessing employee performance objectively. With periodic evaluations, organizations can identify areas that need improvement and provide constructive feedback to employees.

Consistent monitoring and evaluation helps in ensuring that performance standards are always improving. This creates a culture of continuous improvement within the organization.

By building good relationships, employees are more likely to work together with their co-workers. This increases team effectiveness and helps in achieving common goals. Good collaboration between sections or departments ensures that information and resources are shared efficiently. This reduces work silos and improves overall productivity. Good communication helps in conveying important information clearly and on time. This reduces misunderstandings and improves coordination between employees and departments. Good relationships in the workplace create a positive and supportive work environment. This increases job satisfaction and motivation of employees, which ultimately improves their performance.

Overall, these efforts show that the Banyuwangi Regency Cooperatives, Micro Enterprises, and Trade Office focuses on a proactive and collaborative approach to improving employee performance. Regular monitoring and evaluation ensure that performance standards remain high, while good relationships, collaboration, and communication create a supportive and productive work environment. This is in accordance with the results of observations and interviews conducted by researchers. This study supports previous studies, namely research by Mulyaningsih (2020), which stated that efforts and training are needed to improve employee competence.

#### 4. CONCLUSION

Analysis of Human Resource Competence in Improving the Performance of Employees of the Cooperatives, Micro Enterprises and Trade Service of Banyuwangi Regency, the following conclusions can be drawn 1) The competence of employees at the Cooperatives, Micro Enterprises and Trade Service of Banyuwangi Regency is good. This is proven by the suitability of the work field with the competence possessed by employees. 2) Ways to improve employee competency at the Cooperatives, Micro Enterprises and Trade Service of Banyuwangi Regency are by providing coaching, evaluation and performance assessment, as well as providing *rewards* to high-achieving employees.

Based on the research results and conclusions, the suggestions provided to achieve perfection in further research are as follows 1) For further research, it is expected to look for several other factors that can be indicators of improving employee performance. This is because this research is only on employee competence. This is important, because it can be seen the difference with similar research in the future. 3) The area of information collection in this study was limited to one location, so that for subsequent research it is hoped that the research area can be made wider for better results. 3) For employees of the Cooperatives, Micro Enterprises and Trade Service of Banyuwangi Regency, maintain their performance in accordance with employee competencies and regulations set by the government. 4) To improve employee performance, coaching, evaluation and performance assessment, as well as providing rewards to employees must continue to be implemented.

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