THE INFLUENCE OF INCENTIVES AND LEADERSHIP SUPPORT ON EMPLOYEE PERFORMANCE: COLLECTIBILITY TARGET AS A MEDIATION VARIABLE

Wahyu Hidayat, Jannati Tangisalu, Hasbiyadi
Makassar College of Economics (STIEM) Bongaya, Makassar 90145, Indonesia

Abstract: This study investigates the relationship between incentives and leadership support with performance through collectability targets and proves empirically. The object of this study at PT KB Financial Multi Finance Makassar Branch with the unit of analysis is the employees of the Collection unit (collection) as many as 90 as well as being a sample and data analysis instruments using PLS. The results showed that incentives had a negative and significant effect on employee performance at PT KB Finansia Multi Finance Makassar Branch. Furthermore, leadership support has a positive and significant effect on employee performance at PT KB Finansia Multi Finance Makassar Branch. Incentives have a positive and significant effect on collectability targets. Leadership support has a positive and significant effect on collectability targets. Then, the collectability target has a positive and significant effect on employee performance. Incentives have a positive and significant effect on employee performance through collectability targets. Then leadership support has a positive and significant effect on employee performance through collectability targets. The contribution of this research is to improve existing practices, especially encouraging employees to achieve the collectability targets desired by the company.

Keywords: Incentives, leadership support, collectibility, performance

JEL Classification: M12, D23, P17

A. INTRODUCTION

One of the main assets that plays a role in turning the wheels of an organization, both business organizations and government organizations, is

*Corresponding Author.
E-mail: wwunabil@gmail.com
human resources (HR). HR is not just a main asset, but a valuable asset that can be multiplied and developed for organizational needs. It has become a necessity for all business organizations including company PT KB Financial Multi Finance Makassar Branch namely needs reliable and agile human resources to be able to carry out their duties as they should. The company needs PT KB Finansia Multi Finance Makassar Branch is how to produce sustainable performance. Because in business organizations including PT KB Financial Multi Finance Makassar Branch employee performance assessment is one of the important factors for the success of performance management sustainability. The reality of employee collectability displayed by management PT KB Financial Multi Finance Makassar Branch is not in line with expectations. This is suspected to be due to incentive stimuli and support from the leadership so the company has not produced good collectability which has an impact on employee performance. As evidence, it can be described through the objective conditions experienced by the company PT KB Financial Multi Finance Makassar Branch as in the following graph.

Graph 1 shows that the decline in employee collectibility during the 2021 to 2022 (April) period was triggered by incentives and leadership or supporting support not running optimally. Collectability is an illustration of classification of
the debtor’s repayment ability which is of concern to company employees and management. In fact, when incentives and leadership support are weak, it will have an impact on reducing employee collectibility. This is because incentives and leadership support are a portrait of organizational support so that employees display good performance including achieving collectability targets (Nathania & Sandroto, 2022). The expectation is that employees expect better incentives and higher leadership support to result in high performance.

Based on phenomena from objective conditions by PT KB Finansia Multi Finance Makassar Branch illustrates that incentives and leadership support are determining factors in encouraging employee performance. View two factor theory which was coined by Frederick Herzberg emphasizes that there are two factors that influence the size of a person’s motivation to do something that results in a good performance, namely the motivational factor which originates from incentives, and the maintenance factor in the form of leadership or management support to improve performance.

There are many previous studies that explain the determining factors of employee performance. Efendi et al. (2020); Kudsi et al. (2018); and Murtisaputra & Ratnasari, (2019) state that incentives have a positive and significant effect on employee performance. This means that the higher the incentive, the higher the employee’s performance. Different from research Anggriawan et al. (2015) found that incentives have a negative and significant effect on employee performance. This means that more incentives have no effect on employee performance. Research on leadership support factors on employee performance has been carried out by several researchers found that leadership support had a positive and significant effect on employee performance (Afriani et al., 2017; Ashfahani, 2019; Ayutika & Santoso, 2020; Paeno et al., 2021). Better the leadership support shows the higher employee performance. Meanwhile, research by Osardi & Widodo (2022) shows that leadership support does not have a significant effect on employee performance. This means that leadership support is unable to encourage employee performance.

Reading the phenomenon of objective conditions that show that the performance of company employees tends to be less good or not in accordance with expectations, this is suspected by incentive factors and leadership support factors so it is interesting to do research. There is a gap in previous research on the
relationship between incentives and leadership support with employee performance so this study tries to fill the research gap by placing the collectability target as a mediating variable and being differentiated from previous research. This research seeks to find out the relationship between non-financial aspects (internal factors), incentive factors, and leadership support. Therefore, this research is interesting to carry out because the research model that was built places the target variable collectibility as a mediating variable.

B. LITERATURE REVIEW

In any organization there is interaction between people and this interaction has a unique nature. Humans are the most important resource in an organization. Human behavior and interactions are also the most complex resources to understand. This complexity is a result of the unique nature of each individual in the world, especially the world of work. Because of this, science has emerged in terms of studying the relationships and role of human interaction in organizations, namely Human Resource Management (HRM). HRM is often equated with personnel management, human resource management, personnel management, labor management, and various other terms (Suwarto and Priansa, 2018). Therefore, as a grand theory this research is HRM theory. Because managing Human Resources (HR) has become the most important thing in this century. This is because humans are the main actors who will mobilize these various resources, their human resources must be of high quality. In other words, the abundance of various resources that are not accompanied by HR competency will be useless because they are not managed and utilized properly.

A working theory or applied theory to dissect the relationship between variables using the two-factor theory was popularized by an American psychologist named Frederick Herzberg in 1959 regarding a person’s motivation at work. These two factors are motivator factors and pure factors (hygiene factors). Herzberg’s Two Factor Theory was obtained from the results of research on 203 technicians and accountants in Pittsburgh, United States. In this study, technicians and accountants were asked to share their experiences regarding their very good and very bad feelings at work. Herzberg then concluded that there are two
independent working conditions that influence behavior differently (Luthans, 2006).

Incentives are related to employee performance. Incentives or rewards are a type of commission that companies give to employees to become more motivated to complete their work, even if it is outside their job description (Robbins and Judge, 2015) resulting in good performance. Research from Efendi et al. (2020); Kudsi et al. (2018); Murtisaputra & Ratnasari (2019) states that incentives have a positive and significant effect on employee performance. This means that the higher the incentive, the higher the employee’s performance. Anggriawan et al. (2015) found that incentives have a negative and significant effect on employee performance. This means that more incentives have no effect on employee performance.

Supporting or leadership support is related to employee performance. Leadership also has a collective nature in the sense that all behavior implemented by a leader will have a broad impact not only on himself but on all members of the organization. Good leaders certainly have a strategic plan for how to guide their leadership and provide support to subordinates (Luthans, 2006; Robbins and Judge, 2015). Research on leadership support factors on employee performance has been carried out by several researchers, for example Afriani et al. (2017); Ashfahani, (2019); Ayutika & Santoso, (2020); Paeno et al. (2021) found that leadership support had a positive and significant effect on employee performance. This means that the better leadership support can give impact to higher employee performance. Meanwhile, research by Osardi & Widodo (2022) shows that leadership support does not have a significant effect on employee performance. This means that leadership support is unable to encourage employee performance.

Incentives encourage employees to increase collectability. Collectability is a classification of repayment capabilities of debtors when they want to borrow money from a credit institution or bank (Wulandari, 2019). This ability to pay, either in the form of interest or principal, will improve performance. Employee PT KB Multi Finance Branch’s financials are targeted to increase collectability so that it will encourage performance. Wahyu (2020) states that determining credit collectability is to determine the quality of credit so that financing institutions or banks can anticipate credit risks early because credit risk can affect the business
continuity of financing institutions or banks. Therefore, more serious treatment is needed to prevent operational disruptions. Temporarily, Wulandari et al. (2021) state that the variables of collateral value, number of dependents, and repayment period have no effect on credit collectability and thus affect performance. Then, Wulandari, (2019) states that the variables of business experience and business income have a positive effect on credit collectability. Thus, the hypothesis proposed is:

Hypothesis 1: Incentives have a positive and significant effect on employee performance.

Leadership support is related to employee performance. Leadership also has a collective nature in the sense that all behavior implemented by a leader will have a broad impact not only on himself but on all members of the organization. Good leaders certainly have a strategic plan for how to guide their leadership and provide support to subordinates (Luthans, 2006; Robbins and Judge, 2015). Research on leadership support factors on employee performance has been carried out by several researchers, such as Afriani et al. (2017); Ashfahani, (2019); Ayutika & Santoso, (2020); Paeno et al. (2021). Those researchers found that leadership support had a positive and significant effect on employee performance. This means that with better leadership support, employee performance would get higher. Meanwhile, Osardi & Widodo (2022) shows that leadership support has no significant effect on employee performance. This means that leadership support is unable to encourage employee performance. Therefore, the hypothesis put forward is:

Hypothesis 2: Leadership support has a positive and significant effect on employee performance.

Incentives encourage employees to increase collectability. Collectability is a classification of repayment capabilities debtors when they want to borrow money from a credit institution or bank (Wulandari, 2019). This ability to pay, either in the form of interest or principal, will improve performance. Employee of PT KB Multi Finance Branch’s financials are targeted to increase collectability so that it will encourage performance. Wahyu (2020) states that determining credit collectability is to determine the quality of credit so that financing institutions or
banks can anticipate credit risks early because credit risk can affect the business continuity of financing institutions or banks. Therefore, more serious treatment is needed to prevent operational disruptions. Wulandari et al. (2021) state that the variables of collateral value, number of dependents, and repayment period have no effect on credit collectability and thus affect performance. Wulandari, (2019) states that the variables of business experience and business income have a positive effect on credit collectability. Thus, the hypothesis is:
Hypothesis 3: Incentives have a positive and significant effect on collectability targets.

Leadership support encourages employees to meet collectability targets so that they can improve employee performance. Rohman & Yanti (2022) states that supporting leaders and organizations will encourage collectability so that it can improve performance. Therefore, leadership support is a determining factor in achieving collectability targets and will have an impact on employee performance.
Hypothesis 4: Leadership support has a positive and significant effect on collectability targets.

Management always encourages employees to achieve good collectability targets because employees who are able to achieve collectability targets are a measure of employee achievement. An employees who have a passion to work to create such performance as achieving collectivity (Mantiri & Sandroto, 2023). Therefore, the next hypothesis is:
Hypothesis 5: Target collectability has a positive and significant effect on employee performance.

Incentives are rewards from management to employees in order to produce good performance. In other words, incentives become a form of organizational support when they are able to produce performance according to or exceed the targets set by management (Nathania & Sandroto, 2022). Thus, the research hypothesis is:
Hypothesis 6: Incentives have a positive and significant effect on employee performance through collectability targets.
A great leader provides support so that employees produce good and sustainable performance. A leadership style that always provides support is a leader with a transformational spirit so that employees are moved to be involved in working well, such as scoring quality collectability targets (Jauhar & Suratman, 2022). Then the research hypothesis is as follows:

Hypothesis 7: Leadership support \( f \) has a positive and significant effect on employee performance through collectability targets.

Based on theory and previous research results, the conceptual framework for this research is as follows.

![Empirical Research Model](image)

**Figure 2 Empirical Research Model**

C. RESEARCH METHODS

The sample in this research was carried out based on sampling criteria, namely employees in the collection unit (Billing Department) and a minimum work period of less than 1 year. To ensure the accuracy of the information, the entire population can be used as a sample and the withdrawal technique uses a purposive sampling technique. The research sample is 90 people as respondents. This study uses indicators that are different from previous research based on existing theory, logic, and realistic or in accordance with the characteristics of the research object.
D. RESULT

The result shows that characteristics of respondents based on age mostly on 20–29 years were 49 people with percentage levels 54.44%, 30-39 years old as many as 41 people with a percentage of 45.51%, and 5 people aged 40> years with a percentage of 0.05%. From these data it can be concluded that the majority of ages PT KB Finansia Multi Finance Makassar Branch aged 20-29 years while at least 40> years old. Meanwhile, there are 55 people with high school education at the percentage level 61.11%, and undergraduates as many as 35 people with a percentage 38.89%. So, it can be concluded that employees at PT KB Finansia Multi Finance Makassar Branch mostly well educated.

Data processing in this research used SEM Warp PLS version 7.0 analysis. In the WarpPLS analysis there are two model evaluations, namely, the measurement model (Outer Model) and the structural model (Inner Model) which can be explained as follows: In the WarpPLS analysis there are several Model Fit and Quality Indices measures shown in Table 1.

<table>
<thead>
<tr>
<th>No.</th>
<th>Model Fit and quality indices</th>
<th>Fit Criteria</th>
<th>Analysis Results</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Average path coefficient (APC)</td>
<td>p &lt; 0.05</td>
<td>0.372, (p&lt;0.001)</td>
<td>Good</td>
</tr>
<tr>
<td>2</td>
<td>Average R-squared (ARS)</td>
<td>p &lt; 0.05</td>
<td>0.412, (p&lt;0.001)</td>
<td>Good</td>
</tr>
<tr>
<td>3</td>
<td>Average adjusted R-squared (AARS)</td>
<td>p &lt; 0.05</td>
<td>0.395, (p&lt;0.001)</td>
<td>Good</td>
</tr>
</tbody>
</table>

Source: WarpPLS Output, 2024

Based on Table 1, it is stated that the Average path coefficient (APC) is 0.372. This means that the average path coefficient is close to 50%, so it can be stated that the explanatory (independent) variable can respond to the dependent variable. Average R-squared (ARS)= 0.412. This means that the average determinant correlation is close to 50%, so that the variables are declared to have a correlation. Furthermore, Average adjusted R-squared (AARS) = 0.395. This value shows that the correlation of several independent variables is close to 50%. The three goodness-of-fit indicators of this model have a p value of p<0.001. This means that the model can be said to be good because it is more or close to 50%. Therefore, the data can be explained by the model so that it is suitable for providing explanations and testing hypotheses. The information to be conveyed
in this section is a combination of identifying important indicators based on factor loading values and the empirical conditions of a variable (indicator) based on the average score value.

Table 2 Variable Profile

<table>
<thead>
<tr>
<th>No.</th>
<th>Indicators</th>
<th>Loading Factor</th>
<th>Average Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Financial</td>
<td>0.823</td>
<td>3.37</td>
</tr>
<tr>
<td>2</td>
<td>Non-financial</td>
<td>0.669</td>
<td>3.33</td>
</tr>
<tr>
<td>3</td>
<td>Social</td>
<td>0.850</td>
<td>3.33</td>
</tr>
<tr>
<td></td>
<td><strong>Leadership Supporting Variable Profile (X2)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Harmonization support</td>
<td>0.702</td>
<td>3.33</td>
</tr>
<tr>
<td>5</td>
<td>Taste bond</td>
<td>0.743</td>
<td>3.37</td>
</tr>
<tr>
<td>6</td>
<td>Enthusiastic</td>
<td>0.679</td>
<td>3.33</td>
</tr>
<tr>
<td></td>
<td><strong>Collectability Target Variable Profile (Y1)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Smooth credit</td>
<td>0.698</td>
<td>4.00</td>
</tr>
<tr>
<td>8</td>
<td>Special attention</td>
<td>0.835</td>
<td>3.00</td>
</tr>
<tr>
<td>9</td>
<td>Not that smooth</td>
<td>0.615</td>
<td>4.15</td>
</tr>
<tr>
<td>10</td>
<td>Doubtful</td>
<td>0.766</td>
<td>4.00</td>
</tr>
<tr>
<td>11</td>
<td>Congested</td>
<td>0.808</td>
<td>4.00</td>
</tr>
<tr>
<td></td>
<td><strong>Employee Performance Variable Profile (Y2)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Punctuality</td>
<td>0.948</td>
<td>4.11</td>
</tr>
<tr>
<td>13</td>
<td>Productivity</td>
<td>0.611</td>
<td>4.00</td>
</tr>
<tr>
<td>14</td>
<td>Motivation</td>
<td>0.908</td>
<td>4.00</td>
</tr>
<tr>
<td>15</td>
<td>Team work</td>
<td>0.629</td>
<td>4.00</td>
</tr>
</tbody>
</table>

Source: WarpPLS Output, 2024

The incentive variable is measured by three indicators, namely financial, non-financial and social. There are 9 question items to reveal the meaning of these three indicators. Indicators that have factor loadings that are larger or stronger in reflecting incentives is a social indicator of 0.850. This means the incentives felt by employees PT KB Finansia Multi Finance Makassar Branch is an incentive with social value Sobel a motivation to encourage performance. This additional income can also trigger employees to give their best efforts and increase their abilities in the future to obtain social incentives. Incentives given to employees can also help them feel valued by the company. The reason is, the effort they put in while working is appreciated and measured both qualitatively and quantitatively. The indicator that is still the lowest is non-financial incentives amounting to 0.669 so that non-social incentives are of concern to management for improvement so as to encourage employee performance.
The leader supporting variable is measured by three indicators, namely support for harmonization, bonds of feeling and encouragement. There are 9 question items to reveal the meaning of these three indicators. Indicators that have factor loadings that are larger or stronger in reflecting on supporting leadership PT KB Finansia Multi Finance Makassar Branch is an indicator that has a factor loading of 0.743. This means that there is a relationship between employees and leaders something connection strong emotional. Usually, a bond of feeling motivates employees to work actively because there is a love relationship, when employees and leaders understand and trust each other. The lowest indicator shows that leaders pay attention to is encouragement. This result also shows the process by which the leader provides support by providing encouragement to employees so that they are encouraged to work.

The collectability target variable is measured by five indicators, namely current credit, special mention, substandard, doubtful and loss. There are 15 question items to reveal the meaning of these five indicators. Indicators that have a factor loading that is greater or stronger in reflecting the collectability target are of special attention at 0.835. It means, the level of credit collectability of a person who has a history of late payment of bills or credit exceeding the due date which has been set at least 90 days from the due date. Bills in arrears can be principal bills or credit interest bills. Apart from that, the DPK status will not only be attached to late payment of bills. There is a smooth financial cash flow factor which indicates the ability to pay bills but still not paid within a maximum period of 90 days after they are due. The lowest indicator is substandard, which is a continuation status of the previous collectability level or collectability 2. If previously the customer was in arrears for 90 days, collectability 3 or substandard can occur if the customer was in arrears for at least 120 days from the due date of the bill. By determining collectability status 3 or substandard, customers will also receive a warning letter (WL) from the bank where the actual calculation of the principal arrears and current interest on the bill will appear. Apart from that, the current penalty arrears, book keeping administration arrears and many other arrears will also be included which will be summarized in factoring. However, customers who have collectability status 3 can also carry out restructuring if the customer still has the ability to pay obligations.
Employee performance variables are measured by four indicators, namely punctuality, productivity, motivation, and teamwork. There are 12 question items to reveal the meaning of these four indicators. The indicator that has a factor loading that is greater or stronger in reflecting employee performance is timeliness of 0.948. That is, employees show the activity level is completed at the beginning of the stated time, seen from the point of coordination with the output results and maximizing the time available for other activities. The lowest indicator is teamwork, arises from the need to improve work group performance, attitudes, and loyalty; it occurs when a group of people tries to work together, using their skills and providing constructive feedback beyond any conflict that may arise on a personal or inter-individual level. Therefore, work teams need to be encouraged so that they foster a sense of loyalty, security and self-esteem that meets members' individual needs, respects their belonging and maintains positive relationships within and outside the team.

Structural model and hypothesis testing was carried out to determine the relationship between latent variables in this study. From the warpPLS model output, structural model and hypothesis testing is carried out by looking at the estimated values of the path coefficients and \( p-value \) in Table 3. The decision rule for hypothesis testing is carried out as follows, if the \( p-value \leq 0.05 \) (alpha 5%) then it is said to be significant.

<table>
<thead>
<tr>
<th>Table 3 Hypothesis Testing Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Testing Explanatory Variables → Mediation Variables → Response Variables</td>
</tr>
<tr>
<td>Relationship between Variables</td>
</tr>
<tr>
<td>Explanatory Variables</td>
</tr>
<tr>
<td>Incentive (X1)</td>
</tr>
<tr>
<td>Supporting leadership (X1)</td>
</tr>
<tr>
<td>Source: WarpPLS Output, 2024</td>
</tr>
</tbody>
</table>
E. DISCUSSION

The results of this research indicate that incentives have a negative and significant effect on employee performance at the PT KB Finansia Multi Finance Makassar branch. It means that the better incentives have no effect on employee performance. Even though employee incentives are good, in reality, there are some employees who feel the impact of incentives who have not provided good or low performance. This is because the incentive calculation is only calculated based on the results of hand billing carried out by the Coll field (collection employee), and it is also influenced by the development of technology-based applications that make it easier for debtors to make installment payments via banking applications or service provider applications such as Tokopedia, Funds, and others. It's also reflected in the low level of productivity and teamwork by some employees, so performance has decreased.

Ups and downs in employee productivity are commonplace in the PT KB Finansia Multi Finance Makassar branch. However, company management always tries to maintain employee productivity levels by implementing several strategies. The next step in increasing employee productivity is implementing a fairly and transparent rewards and punishment system. Employees who success-
fully meet targets or make contributions to the company can get remuneration in the form of bonuses, incentives, wage increases, position promotions, and also coronations for employee of the month, etc. Apart from that, on several occasions, companies also need to involve employees in a teamwork pattern to share ideas with the company. This will increase the creativity of each worker to be able to innovate and channel ideas that can be considered by the company. By providing this trust, employees will be more enthusiastic and motivated to work better. Furthermore, this study provides managerial implications that if incentive practices are improved, the potential for employees to produce performance will be higher. This research supports research from Anggriawan et al. (2015) that found incentives have a negative and significant effect on employee performance. This means that more incentives have no effect on employee performance. This research does not support research conduct by Efendi et al. (2020); Kudsi et al. (2018); Murtisaputra & Ratnasari (2019) which states that incentives have a positive and significant effect on employee performance. This means that the higher the incentive, the higher the employee performance.

The research results show that supporting leaders has a positive and significant effect on employee performance. This means that the better the leader supports, the better the employee’s performance at the PT KB Finansia Multi Finance Makassar branch. For PT KB Finansia Multi Finance Makassar Branch’s employee feels that the leaders support is in the form of a bond of feeling to encourage employees to work actively because there is a good relationship/bonding when employees and leaders understand and trust each other. In addition, it provides harmonious support and encourages continuous improvement. It means that continuous improvement is one strategy for developing and improving programs in accordance with the analysis of previous work results. In modern situations, like nowadays, leaders of PT KB Finansia Multi Finance Makassar Branch implement and develop this continuous system so that employees have a good performance.

Another form highlighted by the leadership is providing mentoring to team members to continuously improve. Having employees who can be empowered is every leader’s dream. Leaders expectations of PT KB Finansia Multi Finance Makassar Branch are that the employees show initiative by taking on and completing tasks in a consistent manner according to company values and goals.
They wish that, with a little guidance, the employees could make good performances. Therefore, supporting leaders has a significant positive effect on the employee performance of PT KB Finansia Multi Finance Makassar Branch. Therefore, the results of this study provide theoretical implications. In addition to theoretical implications, it also has managerial implications: when leadership support is strong, employees will be moved to work and produce good performance. Afriani et al. (2017); Ashfahani (2019); Ayutika & Santoso, (2020); Paeno et al. (2021) found that leadership support has a positive and significant effect on employee performance. That means that the better the leadership support, the higher the employee performance. Osardi & Widodo (2022) show that leadership support has no significant effect on employee performance. This means that leadership support is unable to encourage employee performance.

The results of this research show that incentives have a positive and significant effect on collectibility targets. This means that the better the collectability, the better the employee’s performance at PT KB Finansia Multi Finance Makassar Branch. Socially valuable incentives can be a motivation to encourage employee performance. This can also trigger employees to give their best effort and improve their abilities in the future to get social incentives. Incentives given to employees can also help them develop a sense of being valued by the company, so employees are encouraged to maintain targets for collecting credit disbursed. In addition, financial and non-financial incentives encourage employees to achieve their collectibility targets. It is proven that the dominant collectibility target indicator deserves special attention. The lowest indicator is substandard, which is a continuation of the previous collectibility level, or collectability 2. If previously the customer was in arrears for 90 days, collectability 3 or substandard can occur if they are in arrears for at least 120 days from the due date of the bill. Apart from that, the current penalty arrears, bookkeeping administration arrears, and many other arrears will also be included, which will be summarized in factoring. Therefore, incentives become a driving force to achieve collectability targets. Incentives are a motivational factor for employees to achieve collectibility targets. Wahyu (2020); Wulandari (2019); and Wulandari et al. (2021) state that incentives have an influence on achieving collectibility targets.
The results of this research found that supporting leaders had a positive and significant effect on collectibility targets. This means that the better the supporting leadership, the better the collectibility target. Supporting leadership is a style in which the leader will focus on the needs and satisfaction of the employees so that the company’s collectibility targets can be achieved according to their responsibilities. Leaders provide support by being directly involved in helping employees solve problems. Thus, leaders also take a personal approach when interacting with employees in an effort to achieve collectibility targets. Thus, the results of this study provide theoretical and managerial implications. Through leadership support, employees will be motivated to achieve collectibility targets. Employees who are motivated definitely need more challenges at work than just encouragement. Leadership is a person’s activity to influence individuals, groups, and organizations as a single unit. Leadership is defined as the ability to be willing to carry out activities or work to achieve group and organizational goals. Therefore, supporting leaders is connected to achieving collectibility targets. Supporting leaders is a motivational factor for employees to achieve collectibility targets. Pinem et al. (2017) found that leadership support has an influence on collectibility targets. This means that the better the leadership support, the better the collectibility target.

The research results show that collectibility targets have a positive and significant effect on employee performance. This means that the better the collectability target, the better the employee’s performance will be. The research results show that a strong indicator for reflecting collectibility targets is under special attention. That means customers of PT KB Finansia Multi Finance Makassar Branch in category Col-2, which is popular in the banking world, are abbreviated as third-party funds (TPF). Collectibility status is classified as a performing loan (PL), which is characterized by a delay in paying the debtor beyond the due date up to at least 90 days from the due date or 3 months (3 months). The debtor is in arrears in principal and/or interest payments between 1 and 90 days. A manual determination of TPF status is also given if the debtor is still considered to have good cash flow but is less able to pay their obligations. PT KB Finansia Multi Finance Makassar Branch is considered bad even though theoretically it is still classified as a Performing Loan (PL). Settlement of problem loans with Col-2 status can be done through regular collection or restructuring,
depending on the agreement between the debtor and creditor. This TPF status encourages employees to be careful, especially in the credit and collection department.

An employee’s ability to manage credit is an achievement that reflects employee performance. It has been proven that a strong performance indicator is punctuality at work. This shows how high an activity can be completed according to the time set at the beginning, seen from the perspective of coordinating with the output results and maximizing the time available for work activities by employees. Apart from that, the next strongest indicator is work motivation, namely how an employee is PT KB Finansia Multi Finance Makassar Branch provides the driving force that creates enthusiasm for someone’s work so that they want to work together, work effectively, and be integrated with all efforts to achieve company satisfaction, such as achieving collectability targets. Therefore, the employee’s ability to achieve collectibility targets will encourage employee performance. The results of this research are a new concept that links collectibility targets and employee performance, which has not been explained by previous research. Therefore, the findings of this research give a new perspective on the new information that a better collectability target can lead to better employee performance.

The research results show that incentives have a positive and significant effect on employee performance through collectibility targets. This means that better incentives can improve the collectability target and the employee’s performance. This is caused by the role of incentives in encouraging collectibility targets. Incentives can include increasing employee morale to achieve targets according to the company’s wishes, such as collectibility targets. Providing incentives to employees can encourage motivation at work and can also be seen as a company reward for their performance. Robbins and Judge (2015) state that the incentives employees receive will be motivation to encourage their performance. This additional income can also trigger employees to give their best effort and improve their abilities in the future to get incentives. It can also help them develop a sense of being valued by the company. This is because the efforts they put in while working are appreciated and measured both qualitatively and quantitatively. Apart from that, employees get additional income which is an opportunity for employees to earn more income outside of their basic salary. This
can help employees earn income to meet their needs. Therefore, incentives can encourage targets expected by the company, such as smooth collectibility targets.

Collectibility targets can encourage better employee performance. Collectibility is a classification of the status of the debtor’s payment of interest or principal installments and credit interest, as well as the level of possibility of receiving back funds invested in securities or other investments. In the credit repayment philosophy, there are two basic analyses of debtors in granting credit, namely good faith or willingness to pay and ability to pay. To determine the character of a prospective debtor, a quantitative track record review of the quality of their credit history is required, and prospective debtors are marked through collectibility checks. Meanwhile, according to the Financial Services Authority (OJK), collectibility is the condition of principal payments or principal installments and credit interest by customers, as well as the level of possibility of receiving back funds invested in securities or other investments. Based on Bank Indonesia regulations, the collectibility of a loan can be grouped into five groups: current, special mention, substandard, doubtful, and non-performing. Sinambela (2018) believes that job assessment is a method for comparing the work of various jobs using formal and systematic procedures to determine the order of jobs by determining the position and ratio between one job and another. The results of this assessment are called performance, which can be used as a basis for providing a fair wage or salary system. When an employee achieves a good collectability target, it indicates that the employee is able to produce good results. This research finds a new concept that has not been discovered by previous research. Therefore, this research finds that collectability targets can play a significant role in mediating the influence of incentives on employee performance.

The research results show that supporting leadership has a positive and significant effect on employee performance through collectability targets. This means that better leader support can improve collectability targets and employee performance. Leadership support give motivation for employees by providing direction and encouragement, providing positive motivation, helping employees solve a problem, getting to know employees better, giving examples when giving directions, taking an individual approach, and always covering up shortcomings so that employees can achieve good collectability targets. Good collectability will
be achieved if supporting leaders touch and stimulate employees to achieve collectability targets. Management of PT KB Finansia Multi Finance Makassar Branch is taking steps to improve collectability status, namely paying principal and interest on time, paying off debts, and not being in arrears. Another method that is often applied is that if the customer has paid off the debt should immediately ask for a letter of repayment stating that they are free from the loan. Wulandari et al. (2021) state that collectability is a track record that shows the quality of a customer or debtor in paying a credit installment in full. Good collectability will encourage employee performance. Employees who perform well drastically improve morale, create accountability, and improve overall performance. Employees who perform poorly are not suited to the job itself. As a result, the employee handling process will be easier to manage when the problem is known. To achieve overall business goals, companies need to set targets and aim for those targets. Therefore, companies need to implement goals first, such as collectability targets. Once the overall goals are set, the results of employee performance indicators will allow the company to plan a strategy to achieve collectability targets. Therefore, the employee’s ability to achieve collectability will encourage employee performance. This research finds a new concept that has not been explained by previous research: that better leader support can improve collectability and employee performance. Thus, collectability can play a significant role in mediating the relationship between supporting leadership and employee performance at PT KB Finansia Multi Finance Makassar Branch.

F. CONCLUSION

This research investigates the relationship between incentives and leadership support and performance through collectability targets and proves it empirically. Therefore, this research uses a research sample. There are 90 employees in the collection unit or billing department, so the research sample is 90 people as respondents. The research results show that incentives have a negative and significant effect on employee performance in PT KB Finansia Multi Finance Makassar Branch. Furthermore, leadership support has a positive and significant effect on employee performance PT KB Finansia Multi Finance Makassar
Branch. Incentives have a positive and significant effect on collectability targets. Leadership support has a positive and significant effect on collectability targets. Then, collectability targets have a positive and significant effect on employee performance. Incentives have a positive and significant effect on employee performance through collectability targets. Then leadership support has a positive and significant effect on employee performance through collectability targets.

G. LIMITATIONS

The limitation of this research is that it only focuses on the research object of financing companies so it cannot be generalized to other companies including banking companies. Therefore, it is an opportunity to expand the research object area outside the financial sector.

H. REFERENCES


Wahyu Hidayat, Jannati Tangisalu, Hasbiyadi / The Influence of Incentives and Leadership Support on Employee Performance: Collectibility Target as a Mediation Variable


