

ANALYSIS OF THE INFLUENCE OF EMPLOYEE PERFORMANCE AND WORK PROGRAM PREPARATION ON THE QUALITY OF FINANCIAL PERFORMANCE

Klemens Simson Thomas Erari[✉], Sita Y. Sabandar², Mika Malissa³

^{1,2,3}, Master of Management, Paul Christian University of Indonesia, Makassar, Indonesia

Email Koresponden: Klemenssimsonthomas.E@gmail.com

Abstract

This study examines the impact of employee performance and work program planning on financial performance quality at BAPPEDA Kabupaten Nabire. Employing a quantitative approach, the research utilizes primary and secondary data from 43 employees. Data collection methods include observation, interviews, and documentation, while data analysis is conducted using Multiple Linear Regression with SPSS Version 22. The findings indicate that employee performance positively and significantly influences financial performance quality, with key factors including work quality, work quantity, responsibility, teamwork, and initiative. However, work program planning does not directly impact financial performance, suggesting that while structured programs exist, their effectiveness in enhancing financial outcomes remains uncertain. Nevertheless, employee performance and work program planning jointly exert a significant influence on financial performance quality. Effective management of these factors can optimize financial and developmental goals, ultimately benefiting the community in Nabire District.

Keywords: Employee Performance, Work Program Planning, Financial Performance Quality, BAPPEDA, Nabire District

✉Corresponding author : Klemens Simson Thomas Erari

Email Address : erariklemens1989@gmail.com

INTRODUCTION

Background of Research

Employee performance plays a crucial role in determining an organization's success, particularly in the public sector (Robinson & Judge, 2020). In local government institutions such as the Regional Development Planning Agency (BAPPEDA) of Kabupaten Nabire, effective employee performance is essential for ensuring optimal financial performance and efficient budget management. High-performing employees contribute to better planning, execution, and evaluation of work programs, directly impacting the financial sustainability of government projects (Mathis & Jackson, 2017).

Work program planning is another critical factor in achieving financial performance quality. A well-structured work program serves as a strategic tool to ensure that governmental financial resources are allocated effectively and transparently (Hetzer, 2017). However, despite the existence of structured planning, its direct impact on financial performance remains debatable (Medea et al., 2024). Previous studies (Dori et al., 2025; Paemba et al., 2024; Paembonan et al., 2024) indicate that while program planning provides a framework for financial management, its effectiveness largely depends on employee execution and organizational commitment (Wahyuningsih & Widowati, 2016).

Problem Statement

Several issues arise concerning the relationship between employee performance, work program planning, and financial performance quality at BAPPEDA Kabupaten Nabire. Observations indicate that some employees face challenges in understanding and implementing work programs effectively, leading to inefficiencies in financial management. Moreover, while structured work programs exist, their role in directly enhancing financial performance remains unclear. These gaps highlight the need to examine how employee performance and work program planning jointly influence financial performance quality.

Research Objectives

This study aims to:

1. Analyze the impact of employee performance on financial performance quality at BAPPEDA Kabupaten Nabire.
2. Assess the influence of work program planning on financial performance quality.
3. Examine the simultaneous effect of employee performance and work program planning on financial performance quality.

Research Significance

The findings of this research will contribute to the field of financial management, particularly in the public sector, by providing empirical insights into the relationship between employee performance, work program planning, and financial performance quality. The study's results are expected to serve as a reference for policymakers in improving financial

management practices and optimizing human resource development in regional planning agencies.

LITERATURE REVIEW

Theoretical Framework

This study is grounded in Performance Management Theory, which emphasizes the importance of evaluating and improving employee performance to achieve organizational goals. Schleicher et al. (2018) state that an effective performance management system should include clear goal-setting, continuous feedback, and fair performance evaluation. Additionally, Strategic Planning Theory in the public sector highlights that structured and deliberate planning results in fundamental decisions and actions that shape an organization's direction and objectives (Bryson et al., 2018).

Operational Definitions of Key Concepts

1. Employee Performance: The extent to which employees fulfill their assigned duties and responsibilities, measured by work quality, work quantity, responsibility, teamwork, and individual initiative (Bandhaso et al., 2023; Watilette et al., 2024).
2. Work Program Planning: A systematic process of setting goals, strategies, and actions necessary to achieve specific outcomes within an organization, including resource allocation and activity scheduling (Mangopo et al., 2025).
3. Quality of Financial Performance: The effectiveness and efficiency in managing an organization's financial resources, reflected in accurate financial reporting, budget compliance, and financial target achievement (Sanggalangi et al., 2025).

Relevant and Recent Literature

Maley et al. (2021) highlight that employee performance management has evolved significantly in the past two decades, focusing on a holistic approach that integrates performance assessment with employee development. Additionally, George and Desmidt (2018) found that effective strategic planning in the public sector enhances organizational performance by establishing clear priorities and proper resource allocation.

In the public sector context, Vakeel and Shukla (2021) discovered that workplace happiness has a positive correlation with employee engagement and organizational performance. These findings align with research by Shrestha (2019), who identified that employee engagement significantly contributes to organizational performance improvement in Nepal.

Moreover, Ayers (2021) emphasizes the importance of modernizing employee performance management in the U.S. federal government, focusing on enhancing fairness in evaluation processes and the quality of feedback given to employees. This supports Schleicher et al. (2018), who argue that an effective performance management system must incorporate clear goal-setting, continuous feedback, and fair assessments.

Overall, recent literature confirms that the combination of optimal employee performance and structured work program planning significantly contributes to improving financial performance quality in public sector organizations.

HYPOTHESIS DEVELOPMENT

The Relationship Between Employee Performance and Financial Performance Quality

Employee performance is a critical factor influencing the success of public sector organizations. According to Schleicher et al. (2018), organizations with high-performing employees achieve better financial performance due to increased productivity, accountability, and efficiency. Work quality, work quantity, responsibility, teamwork, and individual initiative are key determinants of employee performance that contribute to financial stability and operational effectiveness (Mathis & Jackson, 2017). Furthermore, a study by (Sabandar et al., 2022) found that employees with high performance levels directly impact financial performance through improved resource utilization and reduced operational inefficiencies.

Based on this theoretical and empirical foundation, the following hypothesis is proposed:

H1: Employee performance has a positive and significant effect on financial performance quality at BAPPEDA Kabupaten Nabire.

The Relationship Between Work Program Planning and Financial Performance Quality

Strategic planning plays an essential role in guiding financial decision-making within public organizations (Roreng et al., 2024). According to George and Desmidt (2018), well-structured work program planning improves budget efficiency and financial performance by aligning resources with organizational goals. However, research by Ayers (2021) suggests that while planning provides a framework for decision-making, its direct influence on financial outcomes depends on the effectiveness of execution. Similarly, Wahyuningsih and Widowati (2016) emphasize that financial performance improvements require not only strategic planning but also strong implementation mechanisms.

Given these insights, the following hypothesis is proposed:

H2: Work program planning has a positive and significant effect on financial performance quality at BAPPEDA Kabupaten Nabire.

The Joint Effect of Employee Performance and Work Program Planning on Financial Performance Quality

Previous studies indicate that employee performance and work program planning collectively contribute to financial performance quality. Bryson et al. (2018) argue that financial efficiency in public organizations is maximized when strategic planning is complemented by high employee performance. Moreover, research by Vakeel and Shukla (2021) highlights that engaged employees who understand strategic goals are more likely to enhance financial

accountability and effectiveness. These findings suggest that the integration of structured planning and strong employee performance leads to better financial outcomes.

Thus, the final hypothesis is proposed:

H3: Employee performance and work program planning simultaneously have a positive and significant effect on financial performance quality at BAPPEDA Kabupaten Nabire.

Based on the hypothesis above, the author describes the conceptual framework of the research as in **Figure 1** below.

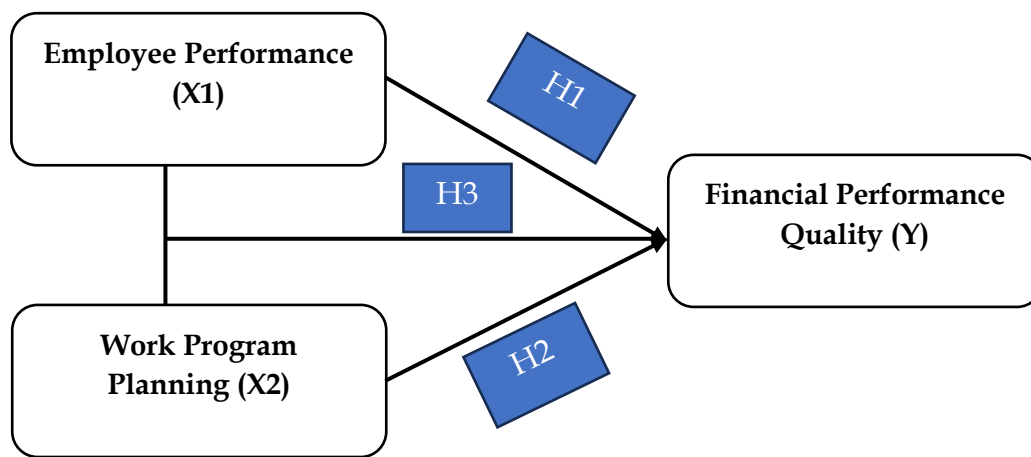


Figure 1. Research Concept Framework
Source: Author (2025)

METHODOLOGY

This study employs a quantitative research design, which aims to examine the causal relationship between employee performance, work program planning, and financial performance quality. A causal-explanatory approach is applied to analyze how the independent variables (employee performance and work program planning) influence the dependent variable (financial performance quality) at BAPPEDA Kabupaten Nabire. According to Creswell and Creswell (2018), a quantitative approach is appropriate for research that seeks to test hypotheses using statistical analysis and structured data collection methods.

The population of this study consists of all civil servants working at BAPPEDA Kabupaten Nabire. The sampling method employed is census sampling (saturated sampling), where the entire population is used as the sample, given its relatively small size. Census sampling ensures that all elements within the population are included in the study, leading to higher accuracy in data interpretation (Etikan & Bala, 2017). A total of 43 employees were selected as respondents, which represents the total number of civil servants at BAPPEDA Kabupaten Nabire at the time of data collection in early 2025.

The research was conducted at BAPPEDA Kabupaten Nabire, which is responsible for regional development planning, financial budget allocation, and program implementation monitoring. The study took place over a period of three months, from January to March 2025, to allow for comprehensive data collection and analysis. Data was gathered through structured questionnaires, which were distributed to respondents in person. The

questionnaire was designed using a Likert scale, ranging from 1 (Strongly Disagree) to 5 (Strongly Agree), to measure employee performance, work program planning, and financial performance quality (Malhotra, 2019). The questionnaire was divided into three sections: demographic information, employee perceptions of their work performance, and their views on work program planning and financial outcomes.

For data analysis, the study utilizes Multiple Linear Regression Analysis to examine the effect of employee performance and work program planning on financial performance quality. This statistical method is widely used to assess relationships between independent and dependent variables, particularly in public sector performance research (Hair et al., 2020). Before conducting regression analysis, several preliminary tests were performed, including validity and reliability tests to ensure measurement accuracy, classical assumption tests (normality, multicollinearity, and heteroscedasticity tests) to verify data suitability, and hypothesis testing using t-tests (partial effect) and F-tests (simultaneous effect) with a 95% confidence level ($\alpha = 0.05$). The analysis was conducted using SPSS version 22, a widely used statistical tool for social science research (Ghozali, 2021).

In summary, this study applies a quantitative causal research design with census sampling, covering 43 employees at BAPPEDA Kabupaten Nabire. The research was conducted over three months (November 2024 –January 2025), utilizing structured questionnaires and Likert-scale measurements. Data analysis involved Multiple Linear Regression and preliminary tests using SPSS version 22 to ensure result reliability. By applying rigorous statistical methods, this study aims to provide empirical evidence on how employee performance and work program planning influence financial performance quality in the public sector.

RESULTS AND DISCUSSION

RESULTS

Characteristics of Respondents

The characteristics of respondents in this study were analyzed based on demographic factors such as age, gender, education level, and years of service. A total of **43 employees** from BAPPEDA Kabupaten Nabire participated in this study. The demographic distribution is presented in **Table 1** below.

Table 1. Respondent Characteristics

Category	Frequency (N = 43)	Percentage (%)
Gender		
Male	27	62.8%
Female	16	37.2%
Age Group		
20 – 30 years	8	18.6%
31 – 40 years	15	34.9%

Category	Frequency (N = 43)	Percentage (%)
41 – 50 years	12	27.9%
> 50 years	8	18.6%
Education Level		
Diploma (D3)	5	11.6%
Bachelor (S1)	28	65.1%
Master (S2)	10	23.3%
Years of Service		
< 5 years	7	16.3%
5 – 10 years	14	32.6%
11 – 15 years	12	27.9%
> 15 years	10	23.3%

Source: Primary data processed (2025)

The majority of respondents were male (62.8%), aged 31 – 40 years (34.9%), with a bachelor's degree (65.1%), and had 5 – 10 years of work experience (32.6%). This demographic profile indicates that most employees at BAPPEDA Kabupaten Nabire are in their productive working age, with sufficient educational backgrounds and professional experience to contribute effectively to the organization's financial performance.

Results of Hypothesis Testing

Multiple Linear Regression Analysis

To examine the effect of Employee Performance (X1) and Work Program Planning (X2) on Financial Performance Quality (Y), a Multiple Linear Regression Analysis was conducted using SPSS version 22. The regression equation model is presented as follows:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + e$$

where:

- Y = Financial Performance Quality
- X1 = Employee Performance
- X2 = Work Program Planning
- β_0 = Intercept (Constant)
- β_1, β_2 = Regression Coefficients
- e = Error Term

The regression results are shown in **Table 2** below.

Table 2. Multiple Linear Regression Coefficients

Variable	Unstandardized Coefficients (B)	Standardized Coefficients (Beta)	t-value	Sig. (p-value)
Constant (β_0)	5.132	-	2.781	0.008
Employee Performance (X1)	0.487	0.521	3.812	0.001
Work Program Planning (X2)	0.163	0.124	0.937	0.352

Source: Data processed with SPSS (2025)

Interpretation of Regression Results

1. Employee Performance (X1) has a significant positive effect on Financial Performance Quality (Y) with $B=0.487$, $t=3.812$, and $p=0.001$ ($p = 0.001 < 0.05$). This means that an increase in employee performance leads to a significant improvement in financial performance quality.
2. Work Program Planning (X2) does not significantly affect Financial Performance Quality (Y), as shown by $B=0.163$, $t=0.937$, and $p=0.352$ ($p = 0.352 > 0.05$). This indicates that while structured work programs exist, they do not directly influence financial outcomes.

Partial Effect Test (t-Test)

The t-test was conducted to determine whether each independent variable significantly affects the dependent variable individually. The decision rule is:

If $p < 0.05$, the variable has a significant effect.

If $p > 0.05$, the variable has no significant effect.

Results:

Employee Performance (X1) significantly affects Financial Performance Quality (Y), as $p=0.001$ ($p < 0.05$).

Work Program Planning (X2) does not significantly affect Financial Performance Quality (Y), as $p=0.352$ ($p > 0.05$).

Simultaneous Effect Test (F-Test)

The F-test was used to determine whether Employee Performance (X1) and Work Program Planning (X2) simultaneously influence Financial Performance Quality (Y). The hypothesis for the F-test is:

- H_0 : There is no simultaneous effect of X1 and X2 on Y.
- H_1 : X1 and X2 simultaneously influence Y.

The ANOVA test results are shown in **Table 3** below.

Table 3. ANOVA (F-Test) Results

Model	Sum of Squares	df	Mean Square	F-value	Sig. (p-value)
Regression	18.231	2	9.116	16.118	0.000
Residual	23.231	40	0.581		
Total	41.462	42			

Source: Data processed with SPSS (2025)

The F-value = 16.118 with $p = 0.000$ (< 0.05) indicates that Employee Performance and Work Program Planning simultaneously influence Financial Performance Quality. Thus, **H3** is accepted, meaning that when managed effectively together, both factors contribute significantly to improving financial performance.

Discussion

The findings confirm that Employee Performance plays a critical role in enhancing Financial Performance Quality, aligning with previous studies (Schleicher et al., 2018; Maley et al., 2021). However, the Work Program Planning variable does not show a direct significant impact, suggesting that strategic planning alone is insufficient without strong employee execution (George & Desmidt, 2018; Ayers, 2021). These results emphasize the need for better implementation mechanisms rather than relying solely on structured planning.

CONCLUSION

This study aimed to analyze the influence of employee performance and work program planning on the quality of financial performance at BAPPEDA Kabupaten Nabire. The findings indicate that employee performance has a significant positive effect on financial performance quality, while work program planning does not have a direct significant impact. However, when both factors are considered simultaneously, they jointly contribute to financial performance quality, emphasizing the importance of effective management of human resources alongside structured planning.

The results confirm H1, which states that employee performance significantly influences financial performance quality. Employees who demonstrate high work quality, accountability, teamwork, and initiative contribute to better budget efficiency and financial decision-making. On the other hand, H2 is rejected, as work program planning alone does not significantly impact financial performance. This suggests that while structured plans provide a framework, their effectiveness depends on how well employees execute them. The acceptance of H3 further supports the notion that a combination of high employee performance and well-managed program planning is crucial for achieving optimal financial outcomes.

Despite its contributions, this study has some limitations. The sample size is relatively small (43 employees), which may limit the generalizability of the findings to other government agencies. Additionally, this study focuses on only two independent variables, while other

factors such as leadership, organizational culture, and external financial policies might also affect financial performance quality. Future research should consider incorporating a larger sample size and additional influencing variables to provide a more comprehensive analysis.

Another limitation is the reliance on self-reported questionnaire data, which may be subject to bias. Future studies should complement survey data with in-depth interviews and performance evaluations to gain a deeper understanding of the factors influencing financial performance. Furthermore, longitudinal studies could provide insights into how employee performance and program planning impact financial outcomes over time rather than in a cross-sectional analysis.

In conclusion, this study highlights the importance of human resource management in financial performance quality. While structured planning is essential, the success of financial management in public sector organizations largely depends on the competence and effectiveness of employees. Therefore, policymakers should focus on enhancing employee performance through training, motivation, and performance-based incentives to maximize financial efficiency and accountability in regional planning institutions.

BIBLIOGRAPHY

- Ayers, R. S. (2021). *Modernizing performance management in the U.S. federal government: Moving from compliance to employee engagement*. *Public Personnel Management*, 50(2), 131–150. <https://doi.org/10.1177/0091026020982165>
- Bandhaso, M. L., Tandiredung, J., Palungan, E., & Sasabone, L. (2023). Pengaruh Pelatihan Terhadap Kinerja Karyawan Pada PT.Cipta Sejati Revolution Makassar. *Journal of Marketing Management and Innovative Business Review*, 1(1). <https://www.ojsapaji.org/index.php/mariobre/article/view/157>
- Bryson, J. M., Berry, F. S., & Yang, K. (2018). *The state of public strategic management research: A selective literature review and set of future directions*. *The American Review of Public Administration*, 48(5), 423–433. <https://doi.org/10.1177/0275074017726276>
- Creswell, J. W., & Creswell, J. D. (2018). *Research design: Qualitative, quantitative, and mixed methods approaches* (5th ed.). SAGE Publications.
- Dori, H. P., Lambe, K. H. P., & Sabandar, S. Y. (2025). ANALISIS DAMPAK SISTEM PELAYANAN KAS DAERAH ONLINE TERHADAP TINGKAT KEPUASAN NASABAH DI BANK PAPUA KANTOR CABANG UTAMA NABIRE. *ECOHOLIC: Jurnal Ekonomi Holistik*, 1(1), 27–34. <https://ojs.ukipaulus.ac.id/index.php/jeh/article/view/853>
- Etikan, I., & Bala, K. (2017). Sampling and sampling methods. *Biometrics & Biostatistics International Journal*, 5(6), 215–217. <https://doi.org/10.15406/bbij.2017.05.00149>
- George, B., & Desmidt, S. (2018). Strategic decision quality in public organizations: An information processing perspective. *Administration & Society*, 50(1), 131–156. <https://doi.org/10.1177/0095399716647153>
- Ghozali, I. (2021). *Aplikasi analisis multivariate dengan program IBM SPSS 25* (10th ed.). Badan Penerbit Universitas Diponegoro.

- Hair, J. F., Hult, G. T. M., Ringle, C. M., & Sarstedt, M. (2020). *A primer on partial least squares structural equation modeling (PLS-SEM)* (3rd ed.). SAGE Publications.
- Maley, J., Moeller, M., & Ting, M. (2021). *Performance management in the post-COVID world: Implications for public and private sector organizations*. *Journal of Business Research*, 136, 612–623. <https://doi.org/10.1016/j.jbusres.2021.08.010>
- Mathis, R. L., & Jackson, J. H. (2017). *Human resource management: Essential perspectives* (8th ed.). Cengage Learning.
- Malhotra, N. K. (2019). *Marketing research: An applied orientation* (7th ed.). Pearson Education.
- Mangopo, R. M., Landjang, X. I. S., Lambe, K. H. P., & Jaya, A. (2025). Analisis Pengelolaan Pajak dan Retribusi Dalam Peningkatan Pendapatan Asli Daerah Kota Jayapura. *Jesya (Jurnal Ekonomi & Ekonomi Syariah)*, 8(1), 171–180. <https://doi.org/10.36778/jesya.v8i1.1887>
- Medea, F., Sabandar, S. Y., & Badawi, R. (2024). ANALISIS EFEKTIVITAS PELAKSANAAN ANGGARAN BELANJA PADA DINAS PENANAMAN MODAL DAN PELAYANAN TERPADU SATU PINTU KABUPATEN TORAJA UTARA. *Journal of Marketing Management and Innovative Business Review*, 2(1), 45–51. <https://www.ojsapaji.org/index.php/mariobre/article/view/226>
- Paemba, C. L., Todingbua, M. A., & Tandi, A. (2024). ANALISIS TINDAKLANJUT HASIL PEMERIKSAAN BPK RI ATAS LAPORAN KEUANGAN PEMERINTAH DAERAH (LKPD) KABUPATEN MAMASA Program Studi Manajemen, Program Pascasarjana, Universitas Kristen Indonesia ANALYSIS OF FOLLOW-UP ON THE RESULTS OF THE BPK RI AUDIT OF THE. *Paulus Journal of Research*, 1(3), 1–9. <http://ojs.ukipaulus.ac.id/index.php/pjr/article/view/632>
- Paembonan, R., Ma'na, P., & Halik, J. (2024). Analisis akuntabilitas kinerja keuangan daerah di kantor pelayanan kekayaan negara dan lelang kabupaten biak provinsi Papua. *Journal of Marketing Management and Innovative Business Review*, 02(2), 1–6. <https://www.ojsapaji.org/index.php/mariobre/article/view/254/143>
- Roreng, P. P., Halik, J. B., Halik, M. Y., & Irdawati. (2024). Systematic Literature Review : Kondisi Makroekonomi Indonesia Pasca Pandemi Covid-19 dan Prospek di Masa Mendatang. *MARIOBRE: Journal of Marketing Management and Innovative Business Review*, 2(2), 56–67. <https://ojsapaji.org/index.php/mariobre/article/view/306>
- Sabandar, S., Tangdialla, R., & Tangdialla, L. (2022). Accountability And Transparency in The Industrial Revolution 4.0 Era at Private Universities in Makassar. *Proceedings of the 1st Warmadewa International Conference on Science, Technology and Humanity, WICSTH 2021, 2012*. <https://doi.org/10.4108/eai.7-9-2021.2318248>
- Sanggalangi, A. D., Rantererung, C. L., & Halik, J. B. (2025). Evaluasi Rencana Kerja dan Anggaran Dalam Meningkatkan Kualitas Laporan Keuangan di Inspektorat Provinsi Papua Tengah. *ECOHOLIC: Jurnal Ekonomi Holistik*, 1(1), 86–92. <https://ojs.ukipaulus.ac.id/index.php/jeh/article/view/862>
- Schleicher, D. J., Baumann, H. M., Sullivan, D. W., & Levy, P. E. (2018). Putting the “performance” back in performance management: A review and research agenda. *Journal of Management*, 44(6), 2209–2245. <https://doi.org/10.1177/0149206318755303>
- Shrestha, P. D. (2019). The impact of employee engagement on organizational performance: Evidence from Nepal. *International Journal of Productivity and Performance Management*, 68(6), 1118–1136. <https://doi.org/10.1108/IJPPM-09-2018-0318>

- Vakeel, A., & Shukla, A. (2021). Workplace happiness and its impact on organizational performance: A study in the public sector. *Journal of Organizational Effectiveness: People and Performance*, 8(2), 172–192. <https://doi.org/10.1108/JOEPP-06-2020-0090>
- Wahyuningsih, T., & Widowati, R. (2016). The role of financial performance in improving government accountability. *Journal of Public Sector Economics*, 40(2), 45–63. <https://doi.org/10.2139/ssrn.2894531>
- Watilette, L. C., Mongan, C. J., & Bandhaso, M. L. (2024). Pengaruh Variabel Ekonomi Makro Terhadap Indeks Harga Saham Gabungan Pada Bursa Efek Indonesia. *Journal of Marketing Management and Innovative Business Review*, 02(2), 37–46. <https://www.ojsapaji.org/index.php/mariobre/article/view/282/147>