

## The effects of human resource flexibility, employee competency, organizational culture adaptation and job satisfaction on employee performance

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### ABSTRACT

This research aims to study and analyze the effects of human resource flexibility, employee competencies, organizational culture adaptation, and job satisfaction on employee performance. The study also examines the indirect effect between human resource flexibility and employee performance with the mediation of organizational culture adaptation and the effect of competence on employee performance through job satisfaction as a mediator variable. Using certain criteria, 105 employees of PT Pos Indonesia were selected as the sample. SEM-PLS was used to test the hypotheses. The study finds that human resource flexibility, employee competencies, and job satisfaction significantly influenced employee performance, but organizational culture adaptation did not have any significant effect on employee performance. Therefore, organizational culture adaptation was unable to mediate the effect of human resource flexibility on employee performance. However, job satisfaction partially mediates the effect of employee competencies on employee performance.

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## 1. Introduction

Global logistics business in various countries has experienced significant growth (Kam, et al., 2010). Therefore, it results in increasing development and demand of courier services (Goh & Ling, 2003). This condition creates challenges for business people and also generates opportunities to develop markets and business ownership with advanced logistics systems and skilled human resources (Kam, et al., 2010; Dessler, 2015). Logistics business function is an important activity in supporting production and consumption (Yin Hoo, et al., 2012). For traditional courier service companies, this function is considered as a cost. However, since the 1990s, this perception began to change in accordance to marketing principles since courier services are able to lead the occurrence of customer satisfaction and loyalty (Mentzer et al., 2003). More business-people in the same field will provide opportunities for prospective consumers to determine choices, as well as increasing competition among businessman. Consumers need accurate information such as; timeliness, order conditions, quality, and availability of information (Yin Hoo, et al., 2012). To meet the consumers' needs, courier service companies require high-performance human resources. This can be driven by human resource flexibility, the adaptation of organizational culture, competence, and the satisfaction at the work one does (Bhattacharya, et al., 2005; Ngo & Loi, 2008; Jepkorir, et al., 2017; Budhiningtias, 2011).

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Human resources are very valuable capital in modern countries (Čižiuniene, et al., 2016), in this respect are those, who have knowledge, education, training, skills, and expertise to work in companies (Crowford, 1991; Dessler, 2015). Human resource management in an organization becomes a very important aspect for its relationship in creating value, flexibility, achievement, and formulating the competence and flexibility of an organization (Michel & Michel, 2012; Čižiuniene, et al., 2016). Flexibility strategies are used to manage human resources in an organization to overcome market demand uncertainty (Dreyer & Grønhaug, 2004; Sushil, et al., 2016). Human resource flexibility can improve performance (Bhattacharya, et al., 2005; Ngo & Loi, 2008) in companies engaged in freight forwarding services (Kam, et al., 2010) because, at present, there are many companies providing courier services which can be accessed easily by the wider community. Different levels of service and tariffs, of course, will be made as special consideration for users of courier services, because every customer expects the best service at affordable rates and certainty of time (Jin, et al., 2013; Ma, 2017). To achieve competitive advantage and maintain business sustainability, companies need the ability of their employee's flexibility, adapt to changing environments, and serve the needs of consumers (Wright & Snell, 1998; Ben-Roy, et al., 2016; Javed et al., 2017). Adaptation of a strong organizational culture has a positive impact on employee work performance and supports organizational performance (Shahzad, 2014; Racelis, 2010). Therefore organizational culture and employee participation are important factors in achieving organizational goals and adaptability plays an important role in determining employee performance (Laforet, 2016; Ngo & Loi, 2008). In terms of improving performance, organizations also need employees who have high competence.

Competence as a basic characteristics possessed by an employee who is causally related to the effort in meeting the criteria needed to occupy a job. Spencer and Spencer (1993) classify the dimensions and components of employee competencies into three, namely: (a). intellectual competence, (b). emotional competence, and (c). social competence. A research conducted by Budhiningtias (2011); Hashim and Wok (2013) showed that competence has a relationship with job satisfaction, and the development of competence has an influence on employee performance. The impact of competencies possessed by employees is the feeling of satisfaction with the work that has been done (Hayati & Caniago, 2012; Platisa et al., 2015). Someone who is satisfied with his work always tries to improve his performance. This means that job satisfaction and job quality from a person are determinants of performance (Platisa, et al., 2015). Organizational performance can be influenced by the variables described above, and some researchers have empirically tested (e.g.; Bhattacharya, et al., 2005; Ngo & Loi, 2008) for each dimension of HR flexibility, and by Budhiningtias (2011), Hashim and Wok (2013) and Yazdanfar, et al. (2014) for employee competencies. However, there are still differences in research results, and have not specifically addressed employee behavior, to be used as a reference for human resource managers in managing employees so that the goals of the company can be achieved. Therefore, this research is very important in order to review the dimensions of HR flexibility in one unity of variables and employee competencies together in a new research model and has never been reviewed by previous researchers. The main objective of this research is to examine the relationship between HR flexibility, organizational culture adaptation, competence, and job satisfaction on employee performance. This research also aims at providing scientific logic on how HR flexibility shapes employee performance with the organizational culture adaptation as a mediating variable, and competence in shaping employee performance with job satisfaction as a mediating variable.

## **2. Literature review and hypotheses development**

### *2.1. Employee Performance*

The performance shown by an employee is of course influenced by various factors that are important in order to enhance a certain set of activities to achieve the organizational goals of the employee in a predetermined period (Spencer & Spencer, 1993; Bernardin & Russel, 1998). Employee performance is what employees do and do not that affects how much they contribute to the organization, which is supported by three main factors namely; (1) the ability of individuals to do work, (2) the level of effort expended, and (3) organizational support (Mathis & Jackson, 2004). There are five criteria for measuring performance, namely: quantity, quality, work efficiency, interpersonal impact, timeliness, and output.

### *2.2. Human Resource Flexibility*

Flexible human resource is an important element of a human resource management strategy, which supports a company's internal ability to get benefit and is considered a prerequisite sustainable competitive advantage so that it can quickly and effectively adjust to environmental changes (Araujo & Spring, 2003; Arjan & Kaiser, 2012; Chen & Li, 2016). Several studies have shown the importance of HR flexibility (Ngo & Loi, 2008; Bal & Lange, 2014; Ben-Roy, et al., 2016; Luu, 2017). Bal and Lange's research results (2014) found that human resource flexibility is positively related to employee engagement and performance. HR flexibility is also positively related to cultural adaptation and human resource performance (Ngo & Loi, 2008). The empirical research referred to the theory suggested by Wright and Snell, (1998) that HR flexibility is the ability of employees in a company which includes: employee skill flexibility; employee behavior flexibility; and human resource practice flexibility. Based on the description of the theory and empirical studies, it is hypothesized as follows:

H<sub>1</sub>: HR flexibility has a positive and significant effect on employee performance.

### 2.3. Organizational Culture Adaptation

Cultural adaptation can be classified as a condition that allows organizations to adapt to changes the environment in order to win business competition (Denison, 1990). One source of competitive advantage in companies comes from the adaptation of organizational culture (Kotter & Heskett, 1992), as indicated by Jackson and Schuler (1995) stating that organizational culture and human resource management are inseparable within an organization. Organizational culture is partially formed by the human resource management system (Lau & Ngo, 2004). Thus, we can expect that the relationship between HR and the adaptation of organizational culture positively influences employee performance (Ngo & Loi, 2008). Empirically, research by Ngo and Loi (2008) and Ben-Roy et al. (2016) revealed that simultaneously the dimension of human resource flexibility has a positive and significant relationship to cultural adaptation. Adaptation culture is most relevant to human resource flexibility. In the long run, it is the only culture that can help organizations anticipate and adapt to environmental changes related to high performance in order to win a competition (Denison, 1990; Kotter & Heskett, 1992). Research by Jepkorir et al. (2017) revealed that the adaptation of organizational culture has a significant positive impact on employee performance.

H<sub>2</sub>: HR flexibility has a positive and significant effect on organizational culture adaptation.

H<sub>3</sub>: Organizational culture adaptation has a positive and significant effect on employee performance.

H<sub>4</sub>: HR flexibility has a significant effect on employee performance by mediating the organizational culture adaptation.

### 2.4. Employee Competence

Competence is a basic characteristic possessed by an individual who is causally related in meeting the criteria needed to occupy a position and contains aspects of knowledge, skills, or personality characteristics that are capable of influencing performance (Spencer & Spencer, 1993; Becker et al., 2001). There are three classifications of dimensions and components of individual competencies; namely: (a) intellectual competence, (b) emotional competence, and (c) social competence (Spencer & Spencer, 1993). It seems that Spencer and Spencer pay attention to the competency component from aspects of the human dimension and interpersonal relations within an organization. Employee competency and performance have a positive and significant relationship with each other (Budhiningtias, 2011; Ismail & Abidin, 2010). Employees must have high competence which is able to respond to changes the business environment so that it has an impact on improving performance. Ismail and Abidin's researches (2010) showed that employee competency had a significant influence on employee performance. In addition, human capital and employee characteristics also determine the performance of employees in the business service sector. This is consistent with the opinion expressed by Spencer and Spencer (1993) stating that competence can affect employee performance. Therefore, this research proposes the following hypothesis:

H<sub>5</sub>: Competence has a positive and significant effect on employee performance.

### 2.5. Job Satisfaction

Company leaders who value their employees' competencies well will encourage employees to feel satisfied with their work. Competence positively significantly affects job satisfaction (Yazdanfar, et al., 2014; Renyut et al., 2017). Research by Renyut, et al. (2017) shows that employee competencies in the form of knowledge, skills, attitude control, professionalism, and experience had a positive and significant impact on job satisfaction. This means that employee competency gives real meaning to employee satisfaction. Someone who is satisfied with his work will improve his performance (Hayati & Caniogo, 2012; Platasa, et al., 2015). Job satisfaction has a significant effect on employee performance (Hayati & Caniogo, 2012). The quality of work of an employee is a factor that affects one's performance (Platasa, et al., 2015). Based on the description of the theory and previous empirical studies, it shows that there is a relationship between competence and job satisfaction.

H<sub>6</sub>: Competence has a significant positive effect on job satisfaction.

H<sub>7</sub>: Job satisfaction has a significant positive effect on employee performance.

H<sub>8</sub>: Competence has a significant effect on employee performance mediated by job satisfaction.

## 3. Method

### 3.1. Sample

The characteristics of one of the Eastern Indonesian regions which is dominated by small islands creates good opportunities for logistics business which now has a very vital role to support the distribution of goods and services. Therefore, researchers chose PT Pos Indonesia as one of the Government-owned companies engaging in the business of shipping goods and services as a research sample. The method used is survey and questionnaire designed to obtain the information needed. Letters sent to PT. Pos Indonesia in Ternate City as Examination Post Office to obtain permission to conduct a research. This research

involves permanent employees at 24 Post Office Branches as research subjects. It is believed that these employees have sufficient knowledge about the issues covered and are committed to our research object. A total of 126 questionnaires were delivered directly by researchers to each intended respondent. The researchers conveyed information to respondents about the purpose of this research and assured them of the confidentiality of the responses and data gathered. There were 105 questionnaires that were declared valid and represented a response rate of 83.33%. This response rate is included in the very good category. Based on an effective sample, 78.9% were male and 21.1% were female. Regarding their age, the majority of respondents aged between 21 and 30 years (43.8%), followed by employees aged between 31 and 40 years (41.0%) and the rest aged over 40 years were 15.2%. Furthermore, regarding the level of education, the majority of respondents were high school graduates or equivalent to 58.1%, followed by 32.4% belonging to undergraduate graduates and 9.5% diploma graduates. The average of their employees is middle-level educated.

### 3.2. Measures

Measurement of variables is responded by respondents using a five-point Likert scale (1 = strongly disagree to 5 = strongly agree). The questionnaire was used to measure the respondents' responses which came from direct quotations from the literature as a reference. Test the validity of was done using the outer model test with convergent and discriminate validity measurements. In the first stage, invalid item values are excluded from the data, so that in the next stage, valid and reliable values were obtained so that there found no problems in this research for further analysis. Human resource flexibility as proposed by Wright and Snell (1998), which can be used to improve employee performance in the face of challenging information technology changes and consumer demand in the courier service business. This can be operated based on the research questionnaire used by Bhattacharya et al. (2005); Ngo and Loi (2008) and Ben-Roy et al. (2016). Cultural adaptation was taken from Denison, (1990) which can be developed by using four indicators to measure the intended variables which is based on previous researches (e.g., Denison & Mishra, 1995; Ngo & Loi, 2008; Pawirosumarto et al., 2017). The basic characteristics of this indicator include: (1) cultural flexibility, (2) information disclosure, (3) responsiveness, and (4) growth. Employee competence was taken from Spencer and Spencer (1993) developed using three indicators to measure the intended variables which is based on research conducted by Ismail and Abidin (2010); Budhiningtias, (2011); Hashim and Wok (2013); and Yazdanfar, et al. (2014). The characteristics used to express respondents' perceptions of their competencies are (1) intellectual competence, (2) emotional competence, and (3) social competence. Evaluate employee job characteristics is in accordance to capabilities, and determinants factor of job satisfaction (Luthans, 2012; Robbins & Judge, 2015). The scale used to measure job satisfaction variable is similar with researches conducted by Chi et al. (2008) and Delcourt et al. (2013) namely; the job itself, supervisor supervision, relationships with fellow colleagues, promotional opportunities, and benefits received. Employee performance is based on an assessment perspective on a work achievement that is in accordance to organizational provisions, including the function of work results within the company in order to achieve the goals set over a certain period of time (Bernardin & Russel, 1998). The scale used to measure employee performance variables including the quantity of work, the quality of work, work efficiency, interpersonal impact, and timeliness.

### 3.3. Data analysis

This research uses structural equation modeling (SEM) with alternative partial least squares (PLS) to analyze the data. SmartPLS 3.0 software is used as a tool to test hypotheses, the model can be predicted with a small sample size (30-50) and has the strength of statistical tests (Hair, et al., 2014). Evaluation of the model in PLS is performed by evaluating the measurement model (outer model) that is, testing the reflective indicators of validity and reflective reliability. Indicators that do not meet the loading factor requirements are eliminated and are not included in the analysis of the second stage. To find out how well the value is obtained, convergent validity is used by considering loading factor > 0.6 and average extracting variance (AVE) > 0.5 (Chin, 1995). The square root value of AVE must be greater than the correlation value between latent variables (Fornell & Larcker, 1982; Chin, 1995). Reliability test can be seen in the value of Cronbach's alpha and composite reliability values > 0.7 (Hair, et al., 2014). Assessment of the inner model is an assessment by describing latent variables based on substantive theory. Tests is done using the goodness of fit (GoF) model so that we can know the contribution of endogenous variables to exogenous variables. GoF model is measured with  $R^2$  (R-Square) endogenous variables. Furthermore,  $Q^2$  (Q-Square predictive relevance) is used to determine the diversity of exogenous variables that can be explained in the model (Hair et al., 2014). The Gof index is defined as an average of  $R^2$  for all endogenous constructs (Tenenhaus, et al., 2005). The GoF index shows the predictive power of the model as a whole and has an interval value between  $0 < Q^2 < 1$ . A GoF value close to 1 indicates a good estimation of the path model, and has better predictive relevance (Akter, at al., 2011; Hair et al., 2014). The  $Q^2$  value is calculated by the formula:

$$Q^2 = 1 - [(1 - R_1^2) \dots (1 - R_n^2)]$$

## 4. Results

Test of validity and reliability is used to evaluate whether the perception of respondents can understand the variables used. The results of convergent validity analysis of the first stage reflective indicators in terms of the outer loading score obtained by several indicators have values < 0.60 the indicator can be declared unable to measure the intended variable. To get a valid

model, the model must have an outer loading score of more than 0.6, therefore, then a second stage calculation is performed to ensure all indicators meet the provision of the outer loading score and each variable has a value of AVE > 0.5 has met the provisions of convergent validity that is above 50% (Chin, 1995). The results of the reliability testing are presented on Table 1. It shows that HR Flexibility, organizational culture adaptation, employee competencies, job satisfaction, and employee performance variables meet the reliability criteria of Cronbach's alpha value and composite reliability of more than 0.7. For more details, see Table 1 as follows,

**Table 1**  
Test of Validity and Reliability

	<i>Cronbach's Alpha</i>	<i>Composite Reliability</i>	Average Variance Extracted (AVE)	Information
HRF	0.919	0.935	0.648	Valid & Reliable
OCA	0.938	0.948	0.672	Valid & Reliable
EC	0.939	0.951	0.686	Valid & Reliable
JS	0.925	0.939	0.613	Valid & Reliable
EP	0.941	0.950	0.596	Valid & Reliable

Source: The output is processed using on SmartPLS version 3.0 program

Evaluation of the inner model using (GoF) model obtained the values are presented in Table 2 as follows,

**Tabel 2**  
Test of GoF Model

Variables	R <sup>2</sup>
Organizational Culture Adaptation	0.145
Job Satisfaction	0.321
Employee Performance	0.652

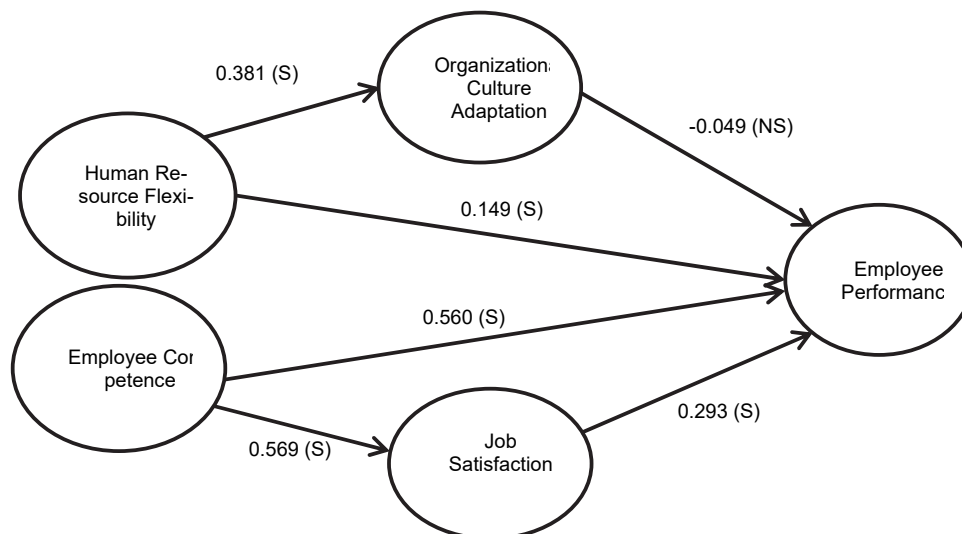
$$Q^2 = 1 - [(1 - R_1^2)(1 - R_2^2)(1 - R_3^2)]$$

$$Q^2 = 1 - [(1 - 0.145)(1 - 0.321)(1 - 0.652)]$$

$$Q^2 = 0.798 (79.8\%)$$

Source: the researcher's

Table 2. shows that the value of Q-Square predictive relevance of employee performance variables is 79.8% meaning, all variables measured are worth to be used to test hypotheses, while the remaining 20.2% is a contribution from other variables that are not discussed in this research model. Hypothesis testing in this research aims to answer whether the proposed hypothesis is accepted or rejected with a tipping point; p-value  $\leq 0.05$  ( $\alpha = 0.05$ ) which means that the significance level of hypothesis testing is set at  $\alpha = 0.05$ . In each path, both direct and indirect influence are measured through mediation variables. The results of path analysis can be seen on Fig. 1 as follows.



**Fig. 1.** Direct influence path diagram

Where:

S = Significant

NS = Not Significant

Direct influence testing is used to explain hypotheses. The results of data analysis can be presented in Table 3 as follows:

**Table 3**

Hypothesis test results for direct influence

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/STDEV )	P Values
OCA → EP	-0.049	-0.045	0.071	0.699	0.485
EC → EP	0.560	0.559	0.071	7.914	0.000
EC → JS	0.567	0.574	0.053	10.631	0.000
HRF → OCA	0.381	0.399	0.079	4.804	0.000
HRF → EP	0.149	0.148	0.072	2.074	0.039
JS → EP	0.293	0.297	0.073	4.032	0.000

Source: The output is processed using on SmartPLS version 3.0 program

There is a significant effect of HR flexibility on employee performance. This result is shown by the t-statistics= 2.074 at the critical point p-value = 0.039<0.05. Thus, H1 is supported. There is a significant effect of HR flexibility to organizational culture adaptation. This result is indicated by the t-statistics=4.408 at the critical point p-value = 0.000 <0.05. This means that H2 is supported. There is no significant influence of organizational culture adaptation to employee performance. This is indicated by the t-statistics=0.699 at the critical point p-value = 0.485> 0.05. Thus, H3 is unsupported. There is a significant influence between employee competencies to employee performance. This is indicated by the t-statistics=7.914 at the critical point p-value = 0.000 <0.05. Therefore, H5 is supported. There is a significant influence between employee competence on job satisfaction which is indicated by the t-statistics =10.631 at the critical point p-value = 0,000 <0.05. Therefore, H6 is supported. There is a significant influence between job satisfaction on employee performance which is indicated by the t-statistics = 4.032 at the critical point p-value =0.000<0.05. Therefore, H7 is supported. Testing the indirect effect through mediating variables is accomplished to explain H4 and H8. Testing the criteria is done to look at the t-statistics value > 1.96 at the critical point; p-value ≤ 0.05. Calculate the Variance Accounted For (VAF) is executed to find out how much the contribution of mediation variables is. The VAF test requires that the indirect effect of exogenous variables on endogenous variables through mediating variables must be significant. If VAF> 80%, it can be said as full mediation. If 20% ≤ VAF ≤ 80%, it can be said as partial mediation. If the VAF <20%, it can be said that there is no mediating effect (Hair et al., 2014). The results of data analysis can be presented on Table 4. below:

**Table 4**

Hypothesis test results for indirect effect

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/STDEV )	P Values
HRF → AOC → EP	-0.019	-0.017	0.029	0.656	0.512
EC → JS → EP	0.166	0.171	0.047	3.520	0.000

Source: The output is processed using on SmartPLS version 3.0 program

The calculation results show path coefficient of -0.019 with a t-statistic value of 0.656<1.98 and p-value = 0.512> α = 0.05 which is said to be insignificant. It means that there is not enough empirical evidence to accept H4. There is a significant influence employee competence to performance with job satisfaction as mediation. This is based on the calculation results showing that the path coefficient value is 0.166 with a t-statistic = 3.520> 1.98 and the p-value = 0.000 is smaller than α = 0.05. The test results of the VAF values can be seen in Table 5. The following is the calculation results of the VAF= 0.229 which means that there is enough empirical evidence to accept H8. The VAF value is 22.9% which is a requirement of partial mediation.

**Table 5**

Mediation Test Results

Exogenous	Mediating	Endogenous	Direct	Indirect	Total	VAF
EC	JS	EP	0.560	0.166	0.726	0.229

Source: the researcher's

## 5. Discussion

Based on the results of the model test, HR flexibility has a significant effect on employee performance. The findings of this study support previous research (Bhattacharya et al., 2005; Beltrán-Martín et al., 2008; Ngo & Loi, 2008; Luu, 2017) stating that HR flexibility is positively related to employee performance and organizational performance in several private organizations, especially in the service sector. HR flexibility has a significant influence to organizational culture adaptation. This finding is in accordance to researches conducted by Ngo and Loi (2008), Ben-Roy et al. (2016). Previous researches have

shown that HR flexibility influences cultural adaptability in terms of culture flexibility, information openness, responsiveness, and growth (Denison & Mishra, 1995; Ngo & Loi, 2008; Ben-Roy et al., 2016). The adaptation of organizational culture does not have a significant influence to employee performance. The finding cannot confirm previous research conducted by Ngo and Loi (2008) stating that cultural adaptability is related to human resource performance, but in accordance to research conducted by Pawirosumarto et al. (2017).

That competency has a significant influence on employee performance. This result is in line with researches conducted by Budhiningtias, (2011), Hashim and Wok (2013) and Yazdanfar et al. (2014). If employees are developed in terms of their competencies, then this has a significant influence to employee performance in an effort to achieve organizational goals. Employee competency has a significant influence to job satisfaction. The results of this study are consistent with research conducted by Delcourt et al. (2013). Job satisfaction has a significant effect on employee performance. The results of this study are consistent with research conducted by Karneli et al. (2015) and Platisa et al. (2015) which shows a positive and significant relationship between job satisfaction and employee performance variables. Higher performance will be shown by people satisfied with their work. This is consistent with the opinion from Robbins and Judge (2015) stating that higher job satisfaction can reflect workers' acceptance of the culture of business practice, whether the practice is traditional or contemporary can be done with various breakthroughs. Most employees are satisfied with interesting jobs that provide training, work diversity, independence, and control (Carstensen et al., 2000).

The results of the analysis show HR flexibility does not have any influence on employee performance through the adaptation of organizational culture, but in this study HR flexibility is a direct determinant of employee performance. This finding is not consistent with research conducted by Ngo and Loi (2008) who found that adaptability mediates the effect of HR flexibility on human resource performance. On the other hand, adaptability also mediates HR flexibility towards innovation and organizational performance (Bhattacharya, et al., 2005; Lau & Ngo, 2004; Beltrán-Martín et al., 2008; Ben-Roy, et al, 2016; Luu, 2017). This research successfully proved that HR flexibility is able to influence employee performance without going through cultural adaptation. This means that HR flexibility is able to contribute to employee performance. Employee competency has a significant influence on employee performance through job satisfaction. This means job satisfaction serves as a partial mediation of the effect of competence on employee performance. When related to the results of this study, it is in line with the theory of job satisfaction from Robbins and Judge (2015) and the competency theory from Spencer and Spencer (1993). The results of this study empirically prove that the goals and objectives of the organization are employees who have good competence at work, increased job satisfaction, and performance improvement.

### *5.1 Contribution for theory and practice*

This research contributes to the development of concepts related to HR flexibility, employee competencies, organizational culture adaptation, job satisfaction, and employee performance. This research generates theoretical findings in the science of strategic human resource management stating that human resource flexibility serves as a multidimensional variable that has been proven empirically affects employee performance and adaptation of organizational culture in positive and significant way. Findings of this research show that the effort in examining the relationship of competence on employee performance mediated by job satisfaction show significant results. Thus, the theoretical contribution of competence as a multidimensional variable in the theory of human resource management has the effect of increasing employee performance through job satisfaction. The implementation of human resource flexibility has a significant effect on employee performance and also organizational culture adaptation. This makes a practical contribution that strong human resource flexibility makes quality corporate human resources so that companies are able to make adjustments to new work patterns in accordance to the development of information technology well and successfully. If the company implements an organizational culture adaptation well, then the company has the ability to compete and try to meet the desires of consumers. Companies are also able to deal with crises and become even stronger in the face of a disruptive era. The implementation of employee competencies, especially the intellectual competencies implemented has an impact on high employee performance so that the company is able to face competition and other external environmental disturbances. The company can also improve the performance of its employees by implementing employee competencies through job satisfaction well.

### *5.2 Limitations and future research*

This research has been carried out as a good implementation of research steps, but still there are several limitations that demand improvement in the future. The limitation of this research is that it only focuses on looking at the relationship of HR flexibility, organizational culture adaptation, employee competencies, and job satisfaction to employee performance. Specifically, the HR flexibility, this research does not relate it to training which is certainly in an effort to adjust the work to the desires of the customer. Furthermore, there is a measurement of HR flexibility and competence at the level of staff of company employees in branch offices, so the results of this research cannot be generalized to different research objects, which allows for differences in research results and conclusions if carried out on different research objects even with the same variable. Respondents perceptions are used to measure the variables in this research so it gives chances for having subjectivity and bias in the measurement.

Further researchers should use indicators of training, commitment, awareness, and attitude development as a mediation between the adaptation of organizational culture and employee performance so that the test results can be significant. Future researchers are suggested to use a wider scope so that the research results can be generalized with larger sample size. In addition, they can also use the object of research in the same business field as the courier service industry by involving a wider private operator.

## 6. Conclusion

HR flexibility and employee competency are important concerns of this research in terms of employee performance. Then testing the mediating effects of organizational culture adaptation and job satisfaction is necessary. The increased flexibility of human resources has an impact on improving employee performance. Companies able to survive if use flexible human resource strategies to respond to changes in the environment and consumer demands. In the sense, that the contribution of high human resource flexibility provides in improving employee performance. This research has also explored the relationship between HR flexibility, organizational culture adaptation and employee performance. The results show that the adaptation of organizational culture is not able to mediate the effect of HR flexibility on employee performance. Employee competency has an influence on employee performance. Performance of branch heads and staff employees carried out at the company requires support from higher leaders, because the implementation of intellectual skills, emotional skills, and social skills improve employee performance. The results have shown that job satisfaction was able to mediate part of the effect of competence on employee performance. Some employees can improve their performance if they can feel satisfied with the work that they do. The results also have shown that competency gives a more dominant influence on employee performance when compared with HR flexibility.

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