

International Journal of Applied Business and Economic Research

ISSN : 0972-7302

available at http: www.serialsjournals.com

© Serials Publications Pvt. Ltd.

Volume 15 • Number 25 • 2017

Employee Performance Management Model for Small and Medium-sized Enterprises of Agro-tourism Sector at Kecamatan Lembang, Cisarua and Parongpong, Kabupaten Bandung Barat, West Java, Indonesia

Ida Nuraida, Yuwana Marjuka and Banowati Talim

E-mail: idanuraida28maret@gmail.com

Abstract: The aim of this empirical research is to propose a employee performance management model with case studies in Kabupaten Bandung Barat, one middle-sized enterprise at Kecamatan Parongpong, one small and one middle-sized enterprises at Kecamatan Lembang, one small and one medium-enterprises at Kecamatan Cisarua. These three districts have similar agroclimatic. Performance management research is generally done on a profit-oriented company, but employee performance management research has never been done in the agro-tourism sector, especially small and medium enterprises (SMEs), which are not always profit oriented. Agro-tourism is the combination between agriculture and tourism sector, which provide tourism services to agricultural areas (agriculture, plantation and animal husbandry). One key to successful management of agrotourism business is performance management. This research used a mixed-method.Quantitative research conducted by the confirmatory analysis, added by qualitative research which is carried out for in-depth interview and observation. The model using Demming Cycle approach (Plan-Do-Check-Action). Employee performance in the agro-tourism sector directly related with service quality which can affect tourist satisfaction. Strategic planning and tourist perception about service quality, could become input for the first step of performance management, that is defining performance. Then followed by the next steps: monitoring performance, appraising performance, performance feedback, reinforcing performance and utilizing performance appraisal. Limitation of this research is the output model will be generated only used to agro-tourism sector in these three districts, but this framework will be useful for every researcher who are interested with employee performance management for tourism-service sector.

Keywords: Performance management, service quality, small and medium-sized enterprises, agro-tourism

1. INTRODUCTION

Human resources are the most important resource of a company. Without humans, the company will not run. Human mobilize otherresources, creating differentiation, differentiate the company to be different

and better than thecompetitors, so it is necessary to manage the behavior and performance results of its human resources inorder to achieve the vision, mission, strategy of the company and achieve competitive advantage. Therefore we need a performance management that is relevant and conducive to achieve it.

This paper is the continuation of a previous literature study of Performance Management Framework of Agro-tourism Sector (Nuraida, 2017). The reasons why this literature review focus on employee performance management for agrotourism sector, especially small and middle-sized enterprises, because are as follows. (1) Performance management is the core of all modern human resource management which is closely linked with every aspect of Human Resource Management (Chen, 2011). Performance management related to employee performance and is a central factor to achieve competitive advantage (Noe, 2000). Performance management research is generally done on a profit-oriented company, but employee performance management research has never been done in the agrotourism sector, especially small and medium enterprises (SMEs). (2) In the economic crisis on 1997/1998 and global crisis on 2008, SMEs was able to survive. Among micro, small and medium-sized enterprises in Indonesia, the 1997/1998 economic crisis and the 2008 global crisis gave most pressure impact to medium-sized enterprises than to micro and small enterprises, because micro and small enterprises have cheaper overhead cost, more specific market segmentation, the amount of capital is more limited, the system is more simple, and less amount of employees, so the entry and exit barrier on micro and small enterprises are more easily than on mediumsized businesses. If their business fails, it is easier for them to switch to other businesses (Ministry of MSMEs, 2015). Now in the era of globalization, the ASEAN (Association of South East Asian Nation) Economic Community 2016 is a challenge for middle-sized enterprises of agrotourism sector, to improve performance. (3) Overall education level of employees in the tourism services sector, including agrotourism, mostly only primary school graduates or lower (Based on data from the book of Measuring Measuring Employment (2011)). It is one of the reasons why tourism sector can not be seeded by Indonesia (www.otda.kemendagri.go.id, www.kemendikbud.go.id, www.infobanknews.com/2014). While the Indonesia agricultural sector is better than others (Hidayat, 2008). (4) Ministry of Tourism (2015) said that the management of tourism destinations can not compete regionally or internationally so that decreases the interest of international tourist arrivals to Indonesia. In addition, Statistic Central Bureau (February 16, 2016) recorded that the number of visits of foreign residents in January 2016 reached 814.303 visits or decreased compared to visits in December 2015 were 986.3 thousand. (5) Agrotourism offers 3 S, something to see, something to buy, and something to do. In general, tourists enjoy 2S (Something to see and something to buy). Something to do is related to raise Length of Stay (LOS) and increase tourist expenditure. The better performance management in the agrotourism sector is expected to cover a budget deficit in the early days of MEA's 2016. Because based on the data from the Statistic Central Bureau, Indonesia industrial sectors are less competitive (more expensive) so that Indonesia was attacked by imported products from other ASEAN countries. The employee performance management framework (Nuraida, 2017:90) has been tested into 5 small and middle-sized enterprises of agro-tourism sector at 3 districs. This empirical research will produce an employee performance management model for small and medium-sized enterprises of agro-tourism sector, especially at kecamatan lembang, kecamatan cisarua and kecamatan parongpong, to improve performance.

Individual performance supports the group's performance and group's performance supports the performance of the company, all are coordinated to achieve the vision, mission, strategies and objectives

of the company (Nuraida, 2017). The performance of the tourism sector must be related to service quality. Aspects of human resources need to be considered in order to improve employee performance in providing service quality that affect the satisfaction of tourists. Perception of service quality from consumers can be an input for defining performance. Education level is one of the factors that influence human resource capabilities, while capabilities are one of the factors that determine employee performance to achieve competitive advantage. Lack of capability requires a relevant employee performance management to anticipate it. The vision of the company's mission and the perception of tourists on the quality of the company's services can be the input of making plans in the model.

2. FORMULATION OF THE PROBLEM

- 1. How is the Plan (in this case defines the performance) to be applied in Small and Medium-Sized Enterprises of agro-tourism sector at Kecamatan Lembang, Parongpong dan Cisarua?
- 2. How is the Do (in this case monitoring performance) to be applied in Small and Medium-Sized Enterprises of agro-tourism sector at Kecamatan Lembang, Parongpong dan Cisarua?
- 3. How is the Check (in this case performance appraisal) to be applied in Small and Medium-Sized Enterprises of agro-tourism sector at Kecamatan Lembang, Parongpong dan Cisarua?
- 4. How is the Feedback (in this case performance appraisal feedback) to be applied in Small and Medium-Sized Enterprises of agro-tourism sector at Kecamatan Lembang, Parongpong dan Cisarua?
- 5. How is the Action (in this case performancereinforcement and utilization of performance appraisal) to be applied in Small and Medium-Sized Enterprises of agro-tourism sector at Kecamatan Lembang, Parongpong dan Cisarua?

3. RESEARCHHYPOTHESES

- 1. Hypothesis 1:Defining performance is affected by *job description, job specification, job performance standard,* form of plan, the actors involved, the process of making the work plan, the time of making the work plan, the media office used and the place of work plan.
- 2. Hypothesis 2: Implementation and monitoring of performance is affected by the monitoring methods, actors involved, time, place and office media used.
- 3. Hypothesis 3: Performance appraisal is influenced by performance appraisal goals, performance appraisal procedures and socialization, performance appraisal methods, performance appraisal periods, assessed aspects, performance standards and weights, actors involved, media assessment.
- 4. Hypothesis 4: Performance output is influenced whether the employee's performance is in accordance with the expectations of employees and superiors, factors that support or hinder performance.
- 5. Hypothesis 5: Feedback on performance appraisal systems is influenced by performance appraisal methods, feedback time, actors involved.
- 6. Hypothesis 6: Reinforcement and utilizing performance appraisal is influenced by rewards and punishment, training and development needs, improvement of compensation system, improvement of performance appraisal system, improvement of recruitment and selection.

4. LITERATURE REVIEW

4.1. Performance Management

Here is the definition of performance management from Noe (2000), Anderson *et al.* (2006), Aguinis (2005), DeNisi and Pritchard (2006), Mondy (2008), Chen (2011), Robbins and Coulter (2014), Armstrong (2015). The conclusion are as follows : performance management is a comprehensive set of activities to improve employee performance, a central factor in order to achieve a competitive advantage, create standards and performance indicators to evaluate the performance of employees, increase employee productivity-tim-organization, the continuous process of identifying-appraising-developing individual and team performance as well as working on it so that the output performance and activity generated employee congruent with vision-mission-strategy-purpose of the company. Performance management is also a process of improving organizational performance through the development of individual and team performance is the process by which superiors and subordinates reached an agreement for mutual cooperation and synergy assumes the responsibilities of each to achieve performance targets. During the working process, leader monitoring actively and continuously on the performance of individual-grouporganization so deviations could immediately corrected. Performance management encourages better performance, as well as controlling employees achieve excellent performance.

Based on several literatures and researches, the following figure 1 concludes general concept of performance management framework and figure 2 concludes factors related to performance appraisal.

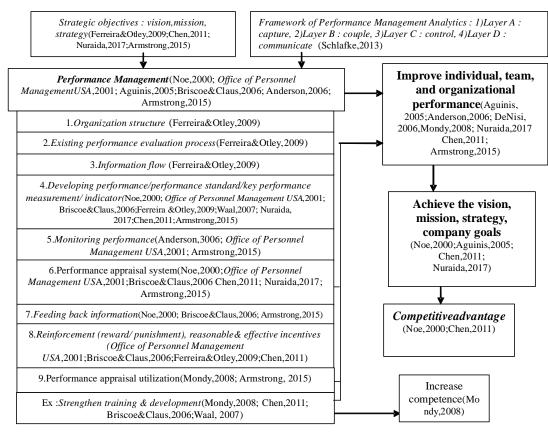


Figure 1: General Performance Management Concept

International Journal of Applied Business and Economic Research

The concept of performance management consists of organizational structure, current performance evaluation, evaluation of information flows, building performance standards, monitoring performance, creating performance appraisal systems, providing performance feedback information, performance reinforcement, and utilizing performance appraisals. This performance management refers to the organization's strategic plan and performance management analysis framework. The resulting output of performance management is to improve the performance of individuals, teams and organizations to support the vision, mission, strategy, goals, and enhance competitive advantage.

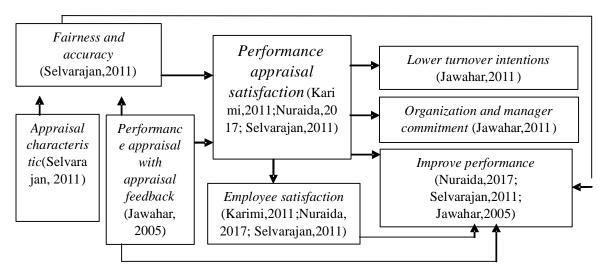
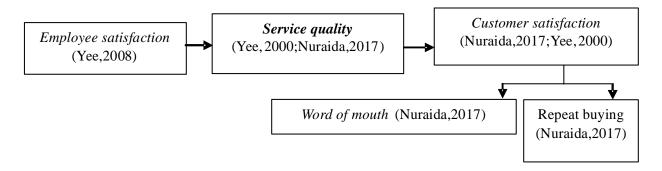


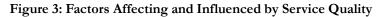
Figure 2: Factors Affecting and Influenced by Performance Appraisal

Satisfaction of performance appraisal can influence employee satisfaction. Satisfaction with performance appraisal is influenced by a sense of fairness and accuracy of judgment, both of which are influenced by assessment characteristics and performance appraisal feedback. Satisfaction with performance appraisals improves management and organizational commitment, improves performance and lowers labor turnover. Feedback performance appraisals improve employee satisfaction and performance.

4.2. Service Quality

Based on research related to service quality, it can be concluded as follows.





Satisfied employees will provide better service quality to consumers, so that consumers are more satisfied. Satisfied customers will buy / come again and will refer agro to the closest relatives.

4.3. Conceptual Model of Employee Performance Management Cycle for Agro-tourism Sector

The following figure is the performance management framework by Nuraida (2017:90) that have been tested in 5 research objects.

	1. Defining performance	`∢
- Capability (charact	er and competence)	-
1 .	e employee's capability :	
	d, rare, uniques, difficult fo imitated	
	on what you do	
	retention strategy	
• Service clin		
o Manageria	IT knowledge	
o Learning p		
	escription, job specification, job performance standard) and	
employee participa		
	ndicator for se rvice and services (tangibility, emphaty,	
reliability, assurance		
	L.	
	2. Monitoring performance	
- Couching	- Interview - Discussion	
- Counseling	- Training	
0		
	3. Performance appraisal	
- Input : job analysis		
- Process :		
- Purpose	- Procedure	
- Socialization	- Communication	
 Summarize and ap 	1 1	
	dia, appraised aspect, standard performance, period, source	
- Output :		
- As expected	- Impeding factor	
 Feedback : How 	- Who	
- When	- Correction	
- Maintain/improve		
- Support	cupuonity	
	4.Reinforcement of performance	
- Rewards	- Punishment	
5.0	Itilization of performance appraisal	
- Update performance		
 Compensation adju 		
	opment needs to improve capability	
	ent and selection process	
-r or reerarch	r	

Figure 4: Conceptual Model of Employee Performance Management Cycle for Agro-tourism Sector

International Journal of Applied Business and Economic Research

5. RESEARCH METHOD

This research used *mixed method* (Cresswell and Clark, 2007:18-20). Quantitative methods use confirmatory analysisAMOS to measure validity and reliability. Reliability is measured by small error which mean stable/ consistent. Validity testing is needed to determine the indicators that really describe a construct. In the qualitative method, this study chooses which agro-tourisms are appropriate for the category of research object to be studied, then conducted a research stage called category reliability(Sekaran,2010:109). This research performs data triangulation, triangulation method and triangulation theory(Sekaran, 2010:211). The data were obtained from interviewing key persons who had the capacity to answer the research's questions by crosscheckto owner, manager/supervisor, staff, and the answer from questionnaires by operational employees. Triangulation method using interview and observation. Triangulation theory is derived from journals and related literature.

5.1. Research Roadmap and Research Model

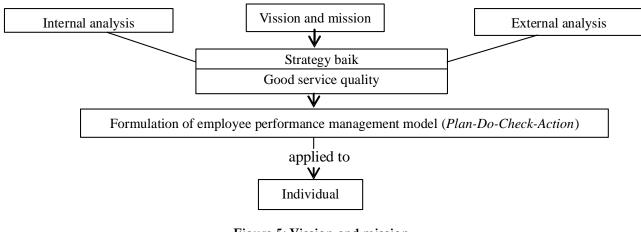


Figure 5: Vission and mission

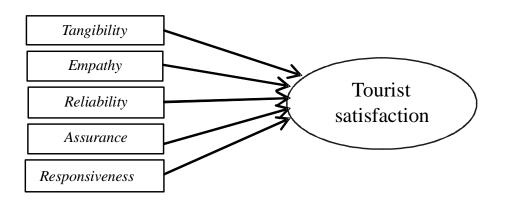


Figure 6: Research Model of Service Quality and Satisfaction

Data on service quality and their impact on tourist satisfaction, strategic plans, are used to make plans in performance management * (Figure 4).

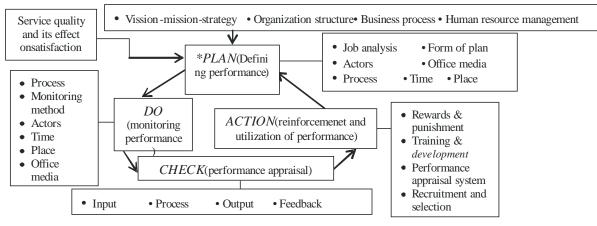


Figure 7: Research Model of Employee Performance Management

5.2. Data Collection techniques

 Primary data through in-depth interviews, direct observation and distribution of questionnaires: Interview methods are used to collect data / information in a clear and detailed manner from respondents through systematic and organized conversations, with a list of pre-prepared questions (Ulber Silalahi, 1999). In-depth interviews are conducted to the owner, manager, supervisor, to find out and collect information of organization (strategic plans, organizational structures, business processes, human resource management activities) and the practice of performance management cycle (plan-do-check-action).Data collection through observation can be done by recording (Sekaran, 2010). Direct observations have been done at Lembang's agro-tourism site.

Questions in a set of questionnaires are about conceptual indicators (Ulber Silalahi, 1999). Service service questionnaires were distributed to tourists, while the practice of performance management questionnaires were disseminated to agro-tourismemployees. When the researcher develops a model with 20 parameters, the minimum sample that should be collected is 100 samples (Ferdinand, 2006). This means that the number of respondents must be collected at least 5 times of the number of indicators. Questions in the quality of service and satisfaction questionnaire consist of 6 constructs and 25 indicators, they are: 1) TangibilityX1-X4 (4 constructs), 2) EmpathyX5-X8 (4 constructs), 3) ReliabilityX9-X12 (4 constructs), 4) AssuranceX13-X17 (5 constructs), 5) ResponsivenessX18-X21 (4 constructs), 6) SatisfactionX22-X25 (4 constructs). The sample of respondents expected to be collected is 5 times from the highest number of indicators of each construct, ie $5 \ge 5$ pieces. While the question in the performance management questionnaire consists of 6 constructs and 45 indicators, they are: 1) defining performance X1-X4 (4 constructs, 2) monitoring performance X5-X8 (4 constructs), 3) performance appraisal X9-X30 (22 constructs), 4) output in performance appraisalX31-X34 (4 constructs), 5) performance appraisal feedback X35-X39 (5 constructs), 6) utilization of performance appraisal X40-X45 (6 constructs). The sample of respondents expected to enter is 5 times from the highest number of indicators in 1 construct, that is $5 \times 22 = 120$ units. Questions in the quality of service questionnaire and performance management questionnaire are closed questions that use the Likert scale 1-5. The goal is to find out which indicators are dominantly influencing each construct on service quality and performance management practices. For service quality we'll be find out the influence of fit construct model to tourist satisfaction by using Structural Equation Modeling.

2. Secondary data obtained from literature studies, articles, journals, proceedings, literatures, internet.

6. DISCUSSION

Table 1

The quantitative and qualitative data had been collected as illustrated on table 1.

	Quantitative and Qualitative Data					
Kecamatan	Research object of agro-tourism	Criteria based on the number of people (Statistic Central Bureau)	Profit oriented?	In-depth interview	Service quality questionnaire from visitors	The practice of performance management questionnaire from employees
Lembang	Kebun Begonia (Begonia Gardens)	Middle-sized enterprise	No	OwnerManager	110	33
	Kopi Luwak Cikole	Small-sized enterprise	No	OwnerGeneral Manager	117	22
Cisarua	Vin's Berry Park	Middle-sized enterprise	No	OwnerCoordinate of employe		35
	Little Farmer	Small-sized enterprise	No	ManagerHead Unit	10 s	-
Parongpon	g Jendela Alam (natural window)	Middle-sized enterprise	Yes	• Human Resource Manager	55	30
				Total	292	120

The categorization of agro-tourism research objects are based on the criteria of employees from the Statistic Central Bureau, because the owners of agro-tourism keep the data of assets and the number of sales per year. This research combines the fifth agro-tourism data with the following reasons.

- The five research objects are both agro-tourism where there are tourism activities with agribusiness themes related to cultivation that produce agricultural products, plantations and farms.
- There are similarities of agro-climates in the three sub-districts that are not finded in 13 other districts in the area of West Bandung regency.

Small and medium-sized businesses are often associated with limited capital and capabilities, and have fewer employees than large businesses. Generally simple organizational structure, short organizational level, narrow span of management, make the flow of information, communication, and distance, between superiors and subordinates are more quickly. Supervision and control can be done directly. Small and medium enterprises have simpler business processes and activities, so they generally do not feel the need of office media in the form of letters, forms, and reports (Nuraida, 2014). The business is not like a larger

Ida Nuraida, Yuwana Marjuka and Banowati Talim

and measurable modern businesses, from capacity, institutional, financial and managerial resources. Informal means : 1) allocation of work time, 2) leadership, 3) communication model, 4) unrestricted office space, can be anywhere, 5) do not using financial standard report, either when they borrow money from financial institution (no visibility study) and its reporting, 6) human resources do not rely on certification, 7) there is no standard Standard Operating Procedure (SOP).

The small and medium-sized agro business sector do Plan-Do-Check-Action to manage the performance of employees. It means that there are stages of defining performance, performance monitoring, employee performance appraisal, rewards and punishment, but most of all be done in informal and simple ways. Therefore this research verifies whether performance management is be done or not, not verifying documents. Based on observation and in-depth interviews, this research verify the performance management in 5 research objects.

6.1. Begonia Gardens at Maribaya Kecamatan Lembang

The owner of Begonia is bachelor degree of Agriculture from a university in Germany. He has 33 employees, consisting of 4 permanent employees as Head Units who have diploma and bachelor's degree education background The rest are 29 freelancers, most of them are high school students or graduated from high school. Begonia Gardens business activities are as follows.

- 1. Flower Garden: This flower garden area is equipped with various kinds of garden flowers such as Begonia Flower, Celosia Flower, Melampodium, Flower Impatiens, Salvia Flowers, Geranium Flowers, and others. There is an outbound fun games facility in the middle of Begonia's garden with games like Pinnata, Secret Passage, Puzzle Treasure, Farm Trekking. In addition there is agricultural education, cooking competition, and others.
- 2. Vegetable garden: includes chili, corn, purple eggplant, cherry tomatoes, white eggplant, cactus, broccoli, and others.
- 3. Flower sales: All the flowers in Begonia's garden are sold in the flower shop. The division of labor includes dividing the plant into pot / poly bag, display, serve and educate the way of care to buyers, serving sales.
- 4. Café: Provide typical snack Bandung such as cilok, tofu spicy, playable tofu, cirical crispy. In addition there are pancakes, various flavored risol. The café provides various lunch menus such as fried rice, salads, also a wide selection of drinks.
- 5. Training facilities or gathering events (such as seminars, birthdays, family events, reunions, arisan, farewell, valentine, school events).

Begonia House owners initially did not understand what it is performance management so that when first asked whether he applies performance management to his employees, he answered no. However, after he answered many questions during in-depth interview, he realizes that unoccasionally he has been doing performance management practices.

6.2. Kopi Luwak Cikole at Kecamatan Lembang

Kopi Luwak Cikole is owned by a vet who run business for passion, hobbies and bring inner satisfaction. The number of employees are 22 people, all of them are permanent employees, so there are no contract employees or freelancers. The business activities of Kopi Luwak Cikole are as follows.

- 1. Education to every visitor about the process of civet breeding and Luwak coffee production, at Luwak Breeding Center and Cikole Luwak Production House.
- 2. Coffee bean products, specialty restaurants that provide Luwak coffee (@ IDR 50,000 / glass, can be brewed 2 to 3x) and appetizer. This coffee can be enjoyed after visitors get educated from the tour guide.
- 3. Training package (educational program) for elementary / junior high school students, where participants get a direct explanation both in the classroom and at the plant tour to the breeding area and production house. It costs IDR. 85,000-, per participant, including lunch box.

Critical point of this agro-tourism is the uniqueness ofluwak animal that producing coffee from it faeces which low caffeine, protein and amino acids, so it's safe to be consumed by anyone. Luwak produced coffee is affected by natural conditions and not exploited, fed snack of coffee twice a week. Education is provided to every visitor for free. Currently there are 5 tour guides who are friendly, interactive, have communication skill, persuasive skill, and can speak foreign languange, as many foreign visitors from Australia, Arab, Japan, France, and others. The tour guide is a colledge student.

Based on interviews and observations, the owner and Operational Manager said that they run the performance management in an informal and simple way.

6.3. Little Farmer at Kecamatan Cisarua

The owner of Little Farmer is Biofarma Employee Cooperative (BEC). The Little Farmer unit is in one location with the Unit Farm and animal husbandry. The Manager of BEC has a bachelor degree of marketing, he oversees 8 units including Little Farmer Unit. The Head of Little Farmer Unit and Head of Agriculture Unithas a bachelor degree of agriculture. He is the only permanent employee in the Little Farmer Unit and Agriculture Unit. He directs 33 freelancers in the Little Farmer Unit and the Agriculture Unit, which all ot them are only graduated or not graduated from elementery school.Business activities of *Little Farmer* are as follows.

- A. Educational and Gardening Education Programs for kindergarten and elementary school students:
 1) Gardening, 2) Gardening Plus, 3) Gardening Supersains. Each has a package of activities and facilities provided.
- B. There are 13 game options, there are many choice of meal packages.

The 2-hectare Little Farmer Unit is planted with vegetables (such as cabbage, carrots, lettuce, pakcoy, squash) to be sold to the market (collectors) and used as a training package for kindergarten children to primary school children. Agro-tourism education was given by head unit of Little Farmer and 19 undergraduate educated corporate supervisors. The 8-hectare Farm Unit is used for farming (for training purposes at Little Farmer, such as cattle, goats, rabbits) and grows elephant grass and composting plants for sale to internal biofarma.

Initially, BEC Manager did not understand about performance management so he said there was no performance management. But after being interviewed with performance management practices, he realized that he had run performance management on head unit, although still simple, and with some written documents. In Figure 9 there is a performance management overview at Little Farmer, divided by 2 sections, A) from the Manager of BEC to unit head, and B) from unit headto freelancers.

6.4. Vin's Berry Park at Kecamatan Cisarua

The owner of Vin's Berry Park has amaster degree education background. Core business of Vin's Berry Park is a training in human resources and entrepreneurship associated with agro-tourism. He utilizes 2 hectares of land for his 4 business activities including: 1) Producing marshmallows, which coloured by blackberries from the garden. 2) Cultivation of 20 varieties of plants, namely A) Long life crop (1,000 stems of blackberry 50 breadfruit trees, 10 clove trees, coffee trees, mango trees, passion fruit, banana trees B) Medium-age plants (raspberries). C) Short-lived plants (such as spinach, pakcov, sosin). 3) Little zoo to complete the plantation (30 rabbits, 30 weasels, 3 monkeys, 2 eagles, some chickens) (4) Human resource training and entrepreneurship, including rental of buildings and serving outbound activities. Participants of training could be students and office employees. The names of the training programs are: 1) Me and Environment, 2) Green Tamagochi, 3) Creative Thinking, 4) Creativity, 5) Alles Strawberry, 6) Detective Adventure, 7) KidsScience, 8) Team Building Games, 9) Outbond, 10) Learning Outbound, 11) Fund Adventure, 12) Water Activities, 13) Camping, 14) Family Games / Fun Games, 15) Gokart, 16) Pick Your Own, 17) Barbeque, 18) Chocolate Fondue, 19) Pinata Strawberry. Each program has its own activities and objectives and is provided with a food and pricing package .Vin's Berry Park also provides fruit juice (such as blackberries and raspberries) from training program, taken from the garden, which is tailored to consumer demand. The trainer are the owner, coordinator, in collaboration with nature lovers and Scouts.

Based on interviews and observations, the owner said that they run the performance management in an informal and simple way.

Particularly at Kecamatan Cisarua, it is founded a similarity of farmer character with low educational background that led supervisor to act autocratically and paternalistic leadership styles, because the farmers are regarded immature and can't make a decision for their job. According to owners of Vin's Berry Park and Head Unit of Little Farmer, farmers often do actions that do not support productive performance because of poor job maturity and low physicological maturity, so they can not be directed and motivated in any way. This made the owner of Vin's Berry Park has fired all of the farmers and closed his strawberry business, then recruited a minimum of high school graduates to be trained by him.

Head unit of Little Farmer is also experiencing the same difficulty as saying that there are no rules that can be applied to farmers. However, he tried to work around this by creating a co-worker atmosphere for farmers, stimulating motivation and loyalty according to farmers culture, and never issuing personal opinions / arguments in monitoring, assessing, giving performance feedback to farmers.

6.5. Jendela Alam at Kecamatan Parongpong

The owner of Jendela Alam is a doctor. Core business of Jendela Alam is animal husbandry and agriculture (farming method). The business activities are as follows.

- 1. Agro-tourism education of farming, care animals and recreation
- 2. Agriculture: a hydroponic and educational plant. Including how to plow the fields.
- 3. Animal husbandry: education on how to care for cattle, goats, deer, ponies, owls, poultry, reptiles (snakes, lizards, turtles), fish, rabbits, hamsters, weasels, Arab chicken. Includes animal anatomy surgery.

- 4. Few plantations: display and educate the conventional way of planting, own picking vegetables, such as mushrooms, pakcoy, lettuce, golden melon, tomatoes, cherry.
- 5. Sale of vegetables, eggs Arabian chicken, animals (such as guinea pigs, rabbits, hamsters), flower sales, medicinal plants. Arabian chicken eggs are imported from Belgium, their eggs are sold on site (based on orders and supplies or for training packages), in several modern markets.
- 6. Swimming pool for visitors.
- 7. Riding.
- 8. Shops and restaurants are all self-managed by Jendela Alam. There is 1 tenant.

Jendela Alam has 50 permanent employees, consisting of 30 office staff (including managerial level) with minimum background of senior high school. And 20 others workingin the garden, care livestock, agriculture, with educational background of elementary school. Education provided by an external tour guide who ready to work when needed. Total tour guide are 80 people, there are at least 5 people who standby in the location every day. In addition, the management of Jendela Alam is assisted by 4 veterinarians and 5 consultants, i.e. 1 architect consultant, 1 financial and procurement consultant, 2 management consultant, 1 shop consultant. Window Alam has implemented formal performance management.

		Number of visits in the year of 2015 and 201	6	
No	Name of agrotourism	Number of visits (people)		Increase
		2015	2016	
1.	Begonia Gardens Lembang	128,927	153,324	18.9%
2.	Kopi Luwak Cikole Lembang	54,831	71,397	29.8%
3.	Little Farmer Cisarua	– Unrecorded	7,817	Almost
		 There was a case of piracy by 1 tour guide, caused decrease of visitors when compared to the previous year. 	l	50%
4.	Vin's Berry Park	Data is lost but lower than 2016, which is around 3,200	3.727	Around 16.5%
5.	Jendela Alam	140.018	142.184	1.5%

Table 2

6.6. Number of Visits and Performance Management Practice Map

The number of visitors has increased over the past 2 years, especially from 2015 to 2016. Many factors support the increase in the number of visits. One of them is through employee performance management. Table 3 in the next page is a summary of the performance management practices roadmap in each of the following agro-tourism.

6.7. Questionnaire Results

In conducting confirmatory analysis, this paper uses a minimum loading factor or Lambda (ë) of 0.5 (Ferdinand, 2009). The first to be tested is the result of a questionnaire about the quality of new services then followed by performance management practices.

		Tab	Table 3		
		Performance Manag	Performance Management Practice Map		
Lowest level of employee education:	BEGONIA GARDENS Senior high school student	KOPILUWAK Graduated from senior high school	KOPI LUWAKLITTLE FARMERGraduated from seniorNotgraduated fromhigh schoolelementary school	VIN'S BERRY PARK Graduated from senior high school	JENDELA ALAM Graduated from elementary school
		MANAJEMI	MANAJEMEN KINERJA		
Stages : 1. Defining performance	 KEBUN BEGONIA No written vision, mission, strategy, objective Strategic affairs : top down Program : bottom up Work plan : 	 KOPI LUWAK Written vision, mission, strategy Strategic affairs, routine and special works : <i>top down</i> General works : <i>bottom up</i> 	LITTLE FARMER No vision, mission, strategy, objective. From manager to head unit (bachelor'sdegree): - Leadership style : system 3 :	 VIN'S BERRY PARK No written vision, mission, strategy, objective. No written job description, job specification and job performance standard 	 JENDELA ALAM Written vision, mission, strategy, objective. Written job description, job specification and job

Table 2

year, written to do list

every day-every week-

short term, made

every month-every

time table, made every

participative, routine

Written notes as

necessary objective.

every month

and fluctuating jobs,

short term, made

week

standardCoordinator

performance

to employees :

performance standard

specification and job

performance standard

specification and job

description, job

Written job

Work plan :

specification and job

description, job No written job

every week, every year

No written job description, job

performance standard

specification and job

description, job

No written job

necessary

1

participative, routine

Work plan :

tugas-tugas : top down

to free-rein/laisez-faire in Likert's Four System

participative, routine and fluctuating jobs, short term, made

fluctuating jobs, short

2014), routine and

term, made everyday

and every week

Work plan : KPI : MBO

participative (Robbins,

Participative but tend

Democratic/

Work plan :

down

and fluctuating jobs,

participative, routine

of Management

(Robbins, 2014)

everyday-every week-

Briefing: everyday Written notes as

Work plan :

and fluctuating jobs,

short term, written

Strategic affairs : top

Owner to coordinator:

- Strategic affairs dan

Management (Robbins,

description, job No written job

2014)

Four System of

to autocratic in Likert's

Participative but tend

Democratic/

and fluctuating jobs,

short term, made

every day

Work plan : routine

(Koontz, 1993)

system 2:

time table, made every

Leadership style :

week

2014), selling, telling

participative, routine

freelancers (elementary school's background) :

From unit head to

- Leadership styile : autocratic(Robbins,

and fluctuating jobs,

short term, written

	 Daily, weekly- Coaching, counseling, mentoring, on the job training, discussion Check to do list 	 Period : once a year (fixed employces) Standards and weights :compared with Key Performance Indicator. Metode :counseling, discussion and interview. Aspects assessed: process, behavior, outcome
 No written job description, job specification and job performance standard 	 Daily, weekly Coaching, counseling, mentoring, on the job training, discussion Check time table 	 Graded assessment: from owner to coordinator, from coordinator to employees Period : depend onthe schedule of time table Method : flat system, transfer knowledge, time and motion study Standard : consistency, responsibility and manners Weights: depend on the achievement of end results Communication : directly
specification and job performance standard	 For head unit (bachelor degree education background): Weekly report Weekly report Coaching, counseling, mentoring, discussion. For freelances (elementary school education background): Daily, weekly Coaching, counseling, mentoring, on the job training The atmosphere of colleagues / friends Written notes as necessary Photo documents 	 From manager to head unit (bachelor degree education background): Performance Appraisal Form Performance Appraisal Form Aspects assessed: process, behavior, outcome Based on weekly report, target achievement From head unit to free freelancers (elementary school education Methods, standards and weightings of
	- Daily, weekly - Coaching, counseling, mentoring, on the job training, discussion.	 Period : weekly, every 6 months for every fixed employees Methods, standards and weightings of performance appraisal, communication way, depend on the supervisor's policy Aspects assessed: process, behavior, outcome No notes / office Based on memories of owner and direct supervisors
	 Daily, weekly Coaching, counseling, mentoring, on the job training, discussion Written notes as necessary 	 Period : weekly for freelancer, every 6 months for head units (fixed employee) Methods, standards and weightings of performance appraisal, communication way, depend on the head unit's policy Aspects assessed: process, behavior, outcome No notes/office media Based on memories of head units, notes
347	2. Monitoring performance	3. Performance appreciated Business and Economic Basescale

347

- Oral and written- Every day, every week, every year	Direct and indirect compensation, punishment
 Aspects assessed: process, behavior, outcome Graded feedback : from owner to coordinator, from coordinator to employees Depend on time table 	Direct and indirect compensation, punishment
 performance appraisal, communication way, depend on the head unit's policy Period : each week, personally Aspects assessed: process, behavior, outcome Based on memories of head units, notes, photo documents For head unit, notes, photo documents For head unit, bachelor degree education background): Each report once a week Interview, discussion For free freelancers (elementary school education background): Anytime The atmosphere of colleagues / friends 	For head unit (bachelor degree education background):Direct dan indirect compensationFor free freelancers (elementary school education background) :Direct and indirect compensation, punishment (opinions and arguments not from head units, but asked from freelancers themselves), cigarette stimulus and cellphone money.
 Interview, couching, counseling, discussion. Every day, every week 	Direct dan indirect compensation, punishment
 Interview, couching, counseling, discussion. Every day, every week 	Direct and indirect compensation, punishment
4. Performance appraisal feedback	5. Reinforcing performance

Ida Nuraida, Yuwana Marjuka and Banowati Talim

6. Utilization of performance appraisal - Update and correct the process of recruitment - Development of employees to be and selection For free freelancers Update recruitment and selection promoted to education background) applicantion background) applicantion letter - Standard Operating supervisor or assistant should not be paid application letter Procedure supervisor or assistant should not be paid application letter Procedure supervisor or assistant should not be paid application letter Procedure supervisor or assistant should not be paid application letter Procedure supervisor or assistant wages every day, but freelancers need to get foreign language used paid by wages used paid by wages tour guides- tour guides- which is appropriate to which is appropriate to Recruit new employees performance. performance.	 Improvement of KPI Promotion to division head or manager 	
 Update and correct the - Development of Fo process of recruitment employees to be and selection supervisor or assistant promoted to supervisor - Add foreign language course training for tour guides- 	Update recruitment method with banners, job applicants make an application letter	
 Update and correct the process of recruitment and selection Standard Operating Procedure 	For free freelancers (elementary school education background) :should not be paid wages every day, but freelancers need to get used paid by wages which is appropriate to performance.	
-	- Development of employees to be promoted to supervisor or assistant supervisor- Add foreign language course training for tour guides- Recruit new employees	
6. Utilization of performance appraisal	 Update and correct the process of recruitment and selection Standard Operating Procedure 	
349	6. Utilization of performance appraisal	
	349	

6.7.1. Visitors Perception of Service Quality and its Influence on Tourist Satisfaction

The total number of respondents is 292 people, ie 110 people from Kebun Begonia, 117 people from Kopi Luwak, 10 people from Vin's Berry Park, 55 people from Jendela Alam, 10 from Little Farmer. The constructs to be tested are 6, namely Tangibility, Emphaty, Reliability, Assurance, Responsiveness (TERAR) and Satisfaction. In Tangibility: 4 indicators (X1-X4), Reliability: 4 indicators (X9-X12), Assurance: 5 indicators (X13-X17), Responsiveness: 4 indicators (X18-X21), Satisfaction: 4 indicators (X22-X25).

6.7.1.1. Analysis Confirmatory AMOS and Structural Equation Modelling

To find the model is fit or not, this paper uses 8 indices (Ferdinand, 2006) as follows.

No	Goodness of fit index	Cut-off value
1.	Chi-Square	Expected small.
2.	Significance probability	≥ 0.01
3.	TLI (Tucker Lewis Index)	≥ 0.95
4.	RMSEA (Root Mean Square Error of Approximation)	≤ 0.08
5.	RFI (Relative Fit Index)	≥ 0.95
6.	NFI (Normed Fit Index)	≥ 0.95
7.	CFI (Comparative Fit Index)	≥ 0.95
8.	IFI (Incremental Fit Index)	Approaching 1

Table 4 Goodness-of-Fit Indices

From the confirmatory results, the overall indicator number X1 to X25 has a loading factor of e" 0.5 so no indicator is discarded. Table 5 in the next page is the final result of analysis confirmation TERAR agrowisata and respondent answers to each indicator. Based on the table, from 8 indices used, the most fit model for the independent variable TERAR is emphaty. The least fit is assurance. However, this research will include all of models to be processed to Structural Equation Modeling and see which model affects mostly to visitors satisfaction . This research correlate emphaty, reliability, assurance, responsiveness, as they relate to the capabilities of people in service delivery. For example, if employees have empathy, ideally he also has reliability, responsiveness and assurance. If the employee has responsiveness ideally he has empathy, reliability and assurance. Tangibility is not correlated with the others because it only limited appearance and body language employees.

Based on Figure 5 above, TLI, RFI, NFI, CFI and IFI are rather fit (fit enough). We get the equation as follows.

 $Satisfaction = 0,09 \ tangibility + 0,17 \ emphaty + 0,1 \ reliability + 0,08 \ assurance + (0,651) (0,205) (0,458) (0,559) \\ 0,23 \ responsiveness + Z1 (0,024)$

	Final Result of Analysis Con	Final Result of Analysis Confirmation TERAR Agrowisata and Respondent Answers to Each Indicator	ach Indicator
Analyse of	Indicators	Respondents Response for Each Indicator	Indicator compared with cut-off value (fit model) and reliability text
Tangibility	X1 = Appearance of employees	Most answers are Satisfied(51%), the second answers are Very Satisfied (41%).	Only NFI and CFI are fit. TILI and RFI are rather fit.
	X2 = Body language	Most answers are Satisfied(55,5%), the second answers are Very Satisfied (33,2%).	
	X3 = Agro-tourism facilities and infrastructure (toilet, prayer room, parking lot restantiant searing etc.)	Most answers are Satisfied(67,5%), the second answers are Very Satisfied (19,5%).	
	X4 = Agro-tourism looks good and maintains cleanliness. beauty. security	Most answers are Satisfied (67,4%), the second answers are Verv Satisfied (27.7%).	
	and order	X1 until X4: there are still a Neutral and Dissatisfied answers.	
Emphaty	X5 = Hospitality, courtesy of employees	Most answers are Satisfied(52,4%), the second answers are Very Satisfied (43,2%).	Probability, NFI, CFI, IFI are fit. TLI and RFI are almost fit.
	X6 = Employees pay attention to visitor needs / wishes, offer personal assistance	Most answers are Satisfied(51,3%), the second answers are Very Satisfied (35%).	
	X7 = Employee relations with visitors	Most answers are Satisfied (54%), the second answers are Very Satisfied (35%).	
	X8 = Communication between employees with tourists	Most answers are Satisfied(59%), the second answers are Very Satisfied (29%). X5 until X8: there are still Neutral and Dissatisfied answers.	
Reliability	X9 = Accuracy and accountability of information	Most answers are Satisfied(65%), the second answers are Very Satisfied (25%).	NFI, CFI, IFI are fit. RFI and TLI are almost filt.
	X10 = Effectiveness and efficiency of service procedures (timely service)	Most answers are Satisfied(68%), the second answers are Very Satisfied (20%).	
	X11 = Overall product quality	Most answers are Satisfied (57%), the second answers are Very Satisfied (29%).	
	X12 = Overall service quality	Most answers are Satisfied(63%), the second answers are Very Satisfied (31%).	
		X9 until X12: there are stillNeutral and Less Satisfied answers.	
Assurance	X13 = Knowledge	Most answers are Satisfied(61 the second answers are Very Satisfied (29%). There are stillNeutral answers.	IFI, NFI, CFI are almost fit.
	X14 = Ability	Most answers are Satisfied (61%), the second answers are Very Satisfied (29%). There are still Neutral answers.	RFI dan TLJ are moderately fit.

Table 5 It of Analvsis Confirmation TERAR Agrowisata and Respondent Answers t

International Journal of Applied Business and Economic Research

contd. table 5

351

X15 = Skill Most an Very Sat Very Sat X16 = Attitude and behaviour Most an Very Sat Very Sat X17 = Security guarantees for visitors Most an Very Sat Very Sat Responsiveness X18 = Employees take the initiative to Most an Not problems X19 = The readiness and speed of Most an Satisfied X20 = Speed of problem solving Very Sat Very Sat Very Sat Very Sat X219 = The readiness and speed of Wost an Very Sat Very Sat Very Sat Very Sat X20 = Speed of problem solving Very Sat Nost an Very Sat X21 = The presence of employees Very Sat Very Satisfied Very Sat Satisfied Ve	Indicators		Respondents Response for Each Indicator 1	Indicator compared with cut-off value (fit model) and reliability test
 X16 = Attitude and behaviour X17 = Security guarantees for visitors X18 = Employees take the initiative to help visitors overcome confusion and problems X19 = The readiness and speed of employees respond to travelers' needs and complaints X20 = Speed of problem solving X21 = The presence of employees when needed X22 = Experiences X23 = Come again to the location of agro-tourism X24 = Reference the agro-tourism to the nearest relatives X25 = Accompany the closest relatives to come together to the location of 	X15 = Skill		Most answers are Satisfied(71%), the second answers are Very Satisfied (22%). There are still Neutral answers.	
 X17 = Security guarantees for visitors X18 = Employees take the initiative to help visitors overcome confusion and problems X19 = The readiness and speed of employees respond to travelers' needs and complaints X20 = Speed of problem solving X21 = The presence of employees when needed X21 = The presence of employees when needed X22 = Experiences X23 = Come again to the location of agro-tourism X24 = Reference the agro-tourism to the nearest relatives X25 = Accompany the closest relatives to come together to the location of 	X16 = Attitude and behavio	ur	Most answers are Satisfied(58%), the second answers are Very Satisfied (33%). There are still Neutral answers.	
 X18 = Employees take the initiative to help visitors overcome confusion and problems X19 = The readiness and speed of employees respond to travelers' needs and complaints X20 = Speed of problem solving X21 = The presence of employees when needed X22 = Experiences X23 = Come again to the location of agro-tourism X24 = Reference the agro-tourism to the nearest relatives X25 = Accompany the closest relatives to come together to the location of 	X17 = Security guarantees f	or visitors	Most answers are Satisfied (53 the second answers are Very Satisfied (27%). There are stillNeutral and Less Satisfied answers.	
 X19 = The readiness and speed of employees respond to travelers' needs and complaints X20 = Speed of problem solving X21 = The presence of employees when needed X22 = Experiences X23 = Come again to the location of agro-tourism X24 = Reference the agro-tourism to the nearest relatives X25 = Accompany the closest relatives to come together to the location of 	X18 = Employees take the it help visitors overcome confi problems	nitiative to ısion and	Most answers are Satisfied(59%), the second answers are Very Satisfied (24%). There are still Neutral and Less Satisfied answers.	<i>Probability</i> , NFI, CFI, IFI are fit. TLI and RFI are almost fit.
 X20 = Speed of problem solving X21 = The presence of employees when needed X22 = Experiences X23 = Come again to the location of agro-tourism X23 = Come again to the location of agro-tourism X25 = Accompany the closest relatives to come together to the location of come together together to the location of come together to the location of come together to the location of come together tog	X19 = The readiness and sp employees respond to travel complaints	eed of ers' needs and	Most answers are Satisfied (66%), the second answers are Very Satisfied (23%). There are still Neutral and Less Satisfied answers.	
X21 = The presence of employees when needed X22 = Experiences X23 = Come again to the location of agro-tourism X24 = Reference the agro-tourism to the nearest relatives X25 = Accompany the closest relatives to come together to the location of	X20 = Speed of problem so	lving	Most answers are Satisfied (63%), the second answers are Very Satisfied (24%). There are still Neutral answers.	
X22 = Experiences X23 = Come again to the location of agro-tourism X24 = Reference the agro-tourism to the nearest relatives X25 = Accompany the closest relatives to come together to the location of	X21 = The presence of emp when needed	loyees	Most answers are Satisfied (52%), the second answers are Very Satisfied (25%). There are still Neutral and Less Satisfied answers.	
-	X22 = Experiences		Most answers are Good(59%), the second answers are Very Good (24%). There are still Neutral answers.	NFI, CFI, IFI are fit. TLI and RFI are almost fit.
-	X23 = Come again to the lo agro-tourism	cation of	Most answers are Will (66%), the second answers areanswers. Very Will (23%). There are still Neutral and Will Not	
latives to	X24 = Reference the agro-ton nearest relatives	ourism to the	Most answers are Will (63%), the second answers are (24%). There are still Neutral answers.	
agro-tourism	X25 = Accompany the close come together to the locatio agro-tourism	st relatives to n of	Most answers are Will (72%), the second answers are (15%). There are still Neutral and Will Not answers.	

Ida Nuraida, Yuwana Marjuka and Banowati Talim

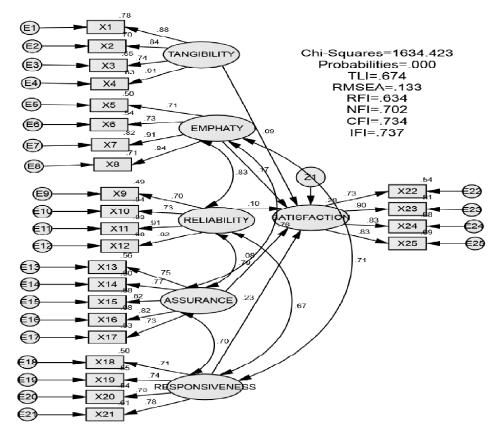


Figure 8: Structural Equation Modelling of Agro-Tourism Satisfaction

The equation here is not to seek forecasting because the Likert scale is an ordinal scale that can be roughly interpreted. The models that most influence satisfaction in sequence are responsiveness, emphaty, tangibility, reliability and assurance.

Reg	pression	ן 1 Weights: (Group number 1	fable 6 - Default model) [ſERAR d	an Satisfact	ion	
	5		Estimate	S.E.	<i>C</i> .R.	P	Label
SATISFACTION	<	RELIABILITY	.074	.100	.741	.458	par_20
SATISFACTION	<	ASSURANCE	.051	.088	.584	.559	par_25
SATISFACTION	<	EMPHATY	.103	.081	1.267	.205	par_28
SATISFACTION	<	TANGIBILITY	.032	.070	.452	.651	par_29
SATISFACTION	<	RESPONSIVENESS	.179	.079	2.252	.024	par_30
X4	<	TANGIBILITY	1.000				
X3	<	TANGIBILITY	.582	.084	6.944	***	par_1
X2	<	TANGIBILITY	.758	.076	9.923	***	par_2
X1	<	TANGIBILITY	.817	.081	10.110	***	par_3
X8	<	EMPHATY	1.000				

contd. table 6

		Estimate	S.E.	<i>C</i> .R.	Р	Label
X7	< EMPHATY	1.039	.052	19.952	***	par_4
X6	< EMPHATY	.879	.063	13.855	***	par_5
X5	< EMPHATY	.718	.052	13.829	***	par_6
X12	< RELIABILITY	1.000				
X11	< RELIABILITY	1.253	.067	18.747	***	par_7
X10	< RELIABILITY	.885	.065	13.625	***	par_8
X9	< RELIABILITY	.867	.066	13.096	***	par_9
X17	< ASSURANCE	1.000				
X16	< ASSURANCE	.997	.072	13.785	***	par_10
X15	< ASSURANCE	.857	.063	13.669	***	par_11
X14	< ASSURANCE	.927	.075	12.377	***	par_12
X13	< ASSURANCE	.891	.075	11.928	***	par_13
X21	< RESPONSIVENESS	1.000				
X20	< RESPONSIVENESS	1.013	.082	12.334	***	par_14
X19	< RESPONSIVENESS	1.061	.087	12.197	***	par_15
X18	< RESPONSIVENESS	1.127	.097	11.618	***	par_16
X22	< SATISFACTION	1.000				
X23	< SATISFACTION	1.482	.095	15.552	***	par_17
X24	< SATISFACTION	1.456	.107	13.591	***	par_18
X25	< SATISFACTION	1.542	.112	13.815	***	par_19

Ida Nuraida, Yuwana Marjuka and Banowati Talim

From table 6 above can be seen from the probability column that each tangibility, empathy, reliability, assurance and responsiveness, has a positive relationship with satisfaction. Significance means there is consistency if the probability is <5%. From table 6 above, responsiveness has the strongest relationship with satisfaction because it has a probability of <5%. Others have probability >5% so the relationship is not very strong, in the sense that there is no consistency relationship to satisfaction. For example, respondents rate high on tangibility / empathy / reliability / assurance, but can assess less high on satisfaction. Vice versa. In contrast to responsiveness, if the respondent rates high on responsiveness, it will consistently rate well on satisfaction is 0.179. This means that if responsiveness rose 10%, it will result in increased satisfaction by 10% x 0.179 = 17.9%. In this case, visitors need responsiveness the most, because it relates to the desire of the employees to help the tourists and provide good service, keep the customer informed when the service will be given, provide the service quickly, and readiness of employees in responding to the demand of tourists. These results become key performance indicator services in the performance management model in the stage of defining performance. Respondents' answers became inputs for improvement suggestions.

6.7.1.2. Performance Management Practice

The total number of respondents was 120 people, ie 33 employees from Begonia Garden, 22 employees from Kopi Luwak, 35 employees from Vin's Berry Park and 30 high school graduates employees from Jendela Alam. The owner of Alam Alam allows the distribution of questionnaires to senior high school graduates but does not permit the distribution of questionnaires to old employees which graduated only from elementary school as employees will have difficulty filling out questionnaires. There are 6 stages in the questionnaire about

the practice of performance management in their respective workplace. Each stage is a construct that contains a number of indicators. This research have tested which indicators are part of the construct. If indicator has loading factor less than 0.5, then the indicator will be discarded. This stage is a performance management cycle, so the result of confirmatory analysis is not continued to structural equation modeling.

Table 7 summarize confirmation analysis results on performance management performance practices. The accepted constructs will included into stages in the performance management model. Valid indicators become part of the construct because it explains / manifests / measures the construct. Respondents' answers became inputs for improvement suggestions.

6.8. Performance Management Model of Small and Medium-Sized Enterprises of Agro-tourism Sector at Kecamatan Lembang, Kecamatan Parongpong And Kecamatan Cisarua

Employee questionnaire data about performance management practices were processed with AMOS Confirmation analysis, yielding 5 stages with indicators to describe them: 1) performance, 3) performance appraisal, 3) performance appraisal, 5) reinforcing performance and utilizing performance appraisal. All five are incorporated into the employee performance management model. Feedback on performance appraisal is made in separate stages because the feedback is done in the performance monitoring stage as well as in theperformance appraisal stage. Performance output is not made as a special stage because there are no indicators that can describe it, but incorporated into a part in the performance appraisal stage. Rewards and punishment are included in 1 step because: 1) done after performance appraisal, 2) done in performance strengthening, and becomes input for improvement of other MSDM field in utilization stage of performance appraisal.

The performance management model from Figure 9 to Figure 13 are derived from supply side (black colour) and demand side (red colour). The performance management model is derived from quantitative methods and qualitative methods. Quatitative methods are differentiated with qualitative methods by adding information about loading factors.

6.8.1. Defining Performance

The strategic plan becomes the reference in making performance management. According to Armstrong (2015) the company's strategic plans affect Plan in performance management. Therefore, in making a plan the company needs to confirm what the strategic plan that has been determined by top management. Then companies need to identify key success factors (ferreira and Otley, 2009).

Job analysis is an activity needed to create a plan. Job analysis produces information about job description, job specification and job performance standards. In the job performance standard, key performance indicators should be created that contain a minimum set of target measurements that employees must achieve for any important performance that supports the success of the organization. According to Moeheriono (2012), Critical Success Factor needs to be made first to determine the Key Performance Indicator (KPI). Feedback from visitor perceptions about the service quality representing the five agrotourism studied, as inputs for KPIs in finance, marketing, business processes and employee performance development.

Thus the model of defining performance is as follows.

		Tauto 1. Juininaly U		c I lacuce
	Performance	Discarded	Indicators That Manifest Performance Management Stages	Most Answers
	management stages			
i	Defining	X4 = Employees	X1 = The supervisor invites employees to jointly prepare a description of the task $Y2 = The supervisor asle the employees on provide only about the employee of the eight$	Always 33%, Often 25% Sometimes 33 3% Always 55%
	penonnance	work plan	$\Delta z = 1$ are supervisor as the emproyee's optimon about the requirements of the right person to do the job description	Often 23%
		4	X3 = The supervisor invites employees to jointly develop standards and weight performance	Always 32,5%, Sometimes 30.8%
¢.	Monitoring	X8 = The role of	X5 = Monitoring of employee performance during the period of work	Sering 41,7 Always 39,2%
	performance	leaders in	X6 = The supervisor provides guidance to the employee if there is a lack of assessment	Always 39,2%, Often 37,5%
		performance monitoring	component $X7 = The supervisor provides motivation to employees if there are employees who are$	Often 39,2%, Always 25,8%
)	not excited / lazy in working	
ю.	Performance appraisal	X10 = Administrative	X9 = Employee performance appraisal aims to improve performance X12 = Performance appraisal is conducted annually	Always 35%, Often 34,2% Always 30%
	TT	performance	X13 = Aspects of assessment for employees	Adequate 35,8%
		appraisal	X14 = Obsectivity of performance appraisal	Enough 42,5%
		procedures	X15 = Aspects of performance appraisal reflect the critical matters of your work (no	Agree51,7%
		X11 = Socialization of	contamination, no irrelevant ratings) X16 = The measures used to assess performance appraisal factors are clear and	Doubtful42.5% Setuin 41.7%
		administrative	complete (no deficiency / not all rated)	0/1/5+
		performance	X17 = Different appraisers give similar assessment (interrater reliability) if the	Sometimes 48,3%
		appraisal	measured object does not change V18 – The results of the accessment are not different from the accessment at different	Somatimas 400%
		their changes	times (test retest reliability) if the measured does not change	
		0	X19 = Employee assessment is done fairly	Sometimes 40%
			X20 = Yon do not doubt your understanding and performance appraisal ability $X21 = Performance$ standards are communicated to employees	Agree44,2% Sometimes 44,2%
			X22 = If communicated, how is the performance appraisal standard?	Unclear-incomplete39,2%
			X23 = Standar kinerja selalu ditingkatkan dan diperbaharui V24 = Bateris fuir (teorteonal conally teort mecnal mecnally) in assessi na emoloree	Often enough 40% Sometimes 45 8%
			224 – Aates 15 Jan. (Iteat equaity, iteat unequal unequality in assessing employee performance ontcomes	
			X25 = Media office assessment of monitoring and performance appraisal of employees	Inadequate 29, 2%
			(eguse of forms, soft copy)	Adequate 29,2% Sometimes adequate sometimes
				not 25%
			X2b = A description of measurable (quantitative) or work (productivity) aspects	Unclear-incomplete45,3%
			X27 = Description of the aspects that can not be measured (qualitative)	Unclear-incomplete33,3%
			X28 = Assessment to employee's work process aspect	Sometimes complete sometimes
			$\Delta Z' = Assessment$ of employee's work attitude / behavior aspect	Sometimes complete39,2% Complete 39,2%
356			X30 = Employee performance appraisal system in the company	Sometimes clear29,2% Clear 28 3%
				CICAL 40,2/0

Table 7: Summary of Confirmation Analysis Results on Performance Management Performance Practices

356

Ida Nuraida, Yuwana Marjuka and Banowati Talim

	Sometimes 30% Always 29,2% Sometimes 42,5% Sometimes 34,2% Yes 34,3% Doubtful 30,8%	Fast 27,5% Sometimes 40,8% Always 34,2% Often enough 36,7%
None	 X35 = Rater notifies the component of the assessment that should be corrected by employees X36 = The employee improves feedback about what is consideredless by the supervisor X37 = Performance appraisal feedback from supervisors X38 = The company supports employee performance improvement X39 = Time interval between providing performance feedback with a performance 	appraisal time X40 = Implications of employee performance appraisal to employment decisions X43 = Punishment for poor performance or performance violations is applied fairly X44 = Fair reward for good performance
X31 = The results of employee performance in accordance with the expectations of employees X32 = The results of employee performance in accordance with expectations of the boss and this company X33 = Factors that hinder good performance X34 = Factors that support good performance	 X35 = Rater notifies the component of the assessment employees X36 = The employee improves feedback about what is cc supervisor X37 = Performance appraisal feedback from supervisors X38 = The company supports employee performance im X39 = Time interval between providing performance feed 	appraisal time X40 = Implications of employee perform X43 = Punishment for poor performance X44 = Fair reward for good performance
X31 = The results of accordance with the X32 = The results of accordance with exp company X33 = Factors that b X34 = Factors that s	None	X41 = Training X42 = Development
4. Output Performance Assessment	5. Performance appraisal feedback	6. Performance appraisal utilization
357		

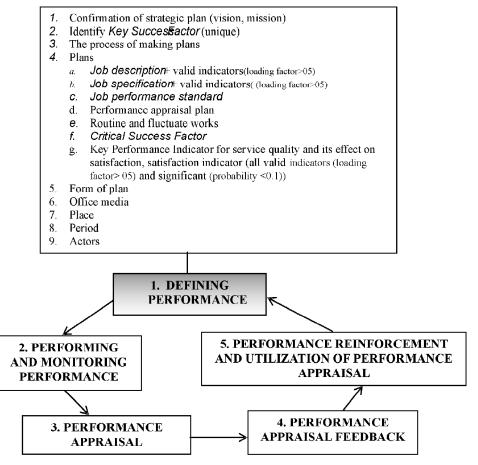


Figure 9: Stage 1Defining performance

Table 8Stage 1 Defining performance

No	Activities	Explanation	
1.	Confirmation of strategic plan	Vision, mission, strategy, goals.	
2.	Identify Key Success Factor (KSF)	Have a certain uniqueness.	
3.	The process of making plans	Past performance evaluation, competition anticipation, routine and non-routine job identification, top down and elaborated at operational level, instruction and briefing, assignment of priority task scale.	
4.	Plans	Job description + valid indicators (loading factor>0,5),job specification + valid indicators (loading factor>0,5), job performance standard, performance management plan, identify routine and fluctuate works,Critical Success Factor (CSF), Key Performance Indicator (KPI) for tangibility, emphaty, reliability, assurance, and responsiveness, each has valid indicators (loading factor>0,5) and reliable (probabilitas<01), responsiveness most influence satisfaction, valid satisfaction indicators (loading factor>0,5) and <i>reliable</i> (probabilitas<01).	
5.	Form of plan	Oral and / or written.	
6.	Office media	Letters, forms, reports	
7.	Place	Each block	
8.	Period	Differentiate between managerial and operational work, permanent employees, casual workers.	
9.	Actorsinvolved	Owner, supervisors, employees.	

International Journal of Applied Business and Economic Research

Explanation of stage 1 Defining Performance are as follows.

1. Confirmation of vision, mission, strategy, objective

In the case examples in 5 research objects, there are close related ideas of vision, mission, strategy, and objectives of agro-tourism, as follows. The visions are to preserve the environment, to educate nature and the environment. The mission is to provide land and cultivation for agriculture / plantation / livestock, environmental education and agrobusiness (agrotourism), providing natural products of livestock / plantation / agriculture, increased employee welfare. Strategies are the visitor get good experience, satisfied and come again. Objective goals : pay all operating expenses, achievement the target of Rupiah and number of visits.

2. Identifikasi Key Success Factor

In the case example in 5 research objects, there are certain uniqueness that is not found in any place. For example Begonia flower seeds imported from Germany, Luwak coffee produced from luwak of the local forest which have been cultivated in agro-tourism.

3. The process of making plan

Analyzed from case examples in 5 research objects and visitor perception on service quality.

- Evaluate performance in the past.
- Anticipate competition: promote natural-cultural richness-typical local customs of West Java, innovative and creative programs, foreign language courses for tour guides, informal education of employees, providing outbound services and event organizers, franchise opening, improving facilities and work infrastructure.
- Identification of routine and non-routine jobs (fluctuating orders)
- Broadly the tasks, duties, responsibilities, tailored to the needs of the job, and given top down, then elaborated / followed up by each unit / employee.
- Direct supervisor provides daily job description and briefing (especially for casual employees with primary education level).
- Direct supervisors provide more structured briefings to improve the quality of service employees
- Tasks are divided into priority scale, ie priority 1 is immediately implemented, priority 2 consideration of time and human resources needs, priority 3 tailored to the needs / flexible.

4. Plans

- 1. Job description
 - In the case examples in 5 research objects, there areclose related ideas ofcultivation, maintenance of the environment and its contents (gardens, farms and livestock), service to visitors, tasks related to human resources, finance, marketing.
 - MakeStandard Operating Procedure.
 - A valid job description indicator (loading factor> 0,5): agro-tourism leaders invite employees with a minimal background of high school graduates to jointly develop job descriptions to set standards and performance weights.

- 2. Job specification
 - In the case examples in 5 research objects, diploma / bachelor degree employee and managerial level are expected to have management skill, communication skill, leadership skill, time management skill, people management skill, analytical thinking, Microsoft Office, problem solving.
 - A valid job-specification indicator (loading factor> 0.5): the agro-tourism leader asks the employee's opinon about what person's requirements are appropriate for the task description.
- 3. Job performance standard

In the case examples in 5 research objects.

- Serve with happy
- Motto for employees : Concise, Neat, Care, Diligent, Clean
- Work is a paid learn, if employees want to be paid more they should learn more
- Learning by doing, then performance standards determined together after 3 months of work
- HRD Manager holds training every 6 months.
- 4. Daily work plan related to routine tasks (case example: plant maintenance schedule, planting time and harvest time, animal rearing) and fluctuating duties (case example: group visit, training request).
- 5. Performance appraisal plan.

In the case examples in 5 research objects: depend on supervisor' policy, based on monitoring and trust of superiors to subordinates, personally between superiors and subordinates, can be every day for freelancers or once a year for permanent employees.

6. Critical Success Factor

In the case examples in 5 research objects : Always change the atmosphere, seeing is believing, the important role of tour guide to persuade visitors, provide learning and agribusiness education, provide honest products as they are.

7. Key Performance Indicator

In the case example, KPI service quality in Kopi Luwak Cikole is made based on feedback from visitors, ie smile, greetings, initiative, courtesy.

Based on the results of quantitative data processing of AMOS confirmatory analysis on service quality and its effect on visitor satisfaction in 5 research objects, there is feedback in the form of valid visitor satisfaction indicator (loading factor> 0,5) and reliable or significant (probability <0.1), that is : 1) good experiences; 2) come again to the location of agro-tourism; 3) reference the agro-tourism to the nearest relatives; 4) accompany the closest relatives to come together to the location of agro-tourism.

To improve satisfaction, agro-tourism should improve responsiveness. KPI indicators for valid responsiveness (loading factor> 0.5) and reliable or significant (probability <0.1), are as follows : 1) employees take the initiative to help visitors overcome confusion and problems; 2) the alertness and speed of employees

respond to visitor needs and complaints; 3) speed of problem solving; 4) the presence of employees when needed.

Other service quality (tangibility, reliability, assurance, responsiveness), also need to be considered by agro-tourism. Each has valid indicators (loading factor> 0.5) and reliable or significant (probability <0.1), as follows.

- Emphaty : 1) hospitality, courtesy of employees; 2) employees pay attention to the needs / wishes of visitors, offer personal assistance; 3) employee relationships with visitors; 4) communication of employees with visitors.
- Tangibility : 1) appearance of employees; 2) body language; 3) agro-tourism facilities (toilet, prayer room, parking lot, restaurant, seating, etc.); 4) agro-tourism always looks good, maintains cleanliness, beauty, secure and orderly.
- Reliability : 1) accuracy and accountability of information; 2) effectiveness and efficiency of service procedures (timely service); 3) overall product quality; 4) service quality as a whole.
- Assurance : 1) knowledge; 2) ability; 3) skills; 4) attitude and behavior; 5) security guarantees for visitors.

5. Form of plans

Based on job description. Based on the case examples in 5 research objects.

- Can be oral and written
- Written forms are as follows.
 - i) The daily 'to do list' form reported to the supervisor every afternoon.
 - ii) In distributing fluctuate tasks, make time table about the details of the activity schedule, how much and when to finish.
 - iii) Written notes from the owner.
 - iv) Weekly stock opname report.
- 6. Office media. Letters, forms, reports. Example : daily attendance form.
- 7. Place. In the case examples in 5 research objects :at the agro-tourism site and each block.
- 8. Period

In the case examples in 5 research objects are as follows.

- Managerial level: compiled per month and per year.
- Fixed employees (operational level):
 - i) Routine work: per week, per month, per year.
 - ii) Fluctuate work: compiled per day, per week, per month.
- Freelancers (operational staff) who work for routine and fluctuating jobs: compiled per day, per week.
- 9. Actors involved :In the case examples in 5 research objects are employees, direct supervisor, owner.

6.8.2. Performing and monitoring Performance

Behavioral factors are one of the important factors for companies to reap more benefits from a performance management model. This is in line with the opinion of Waal (2007). Performance monitoring needs to be done continuously (Office of Personnel Management USA, 2001; Armstrong, 2015). Performance monitoring stage is an important step before performance appraisal, because performance appraisal only looks at the results, while work processes and behavior during the work period are not known if work is not monitored. Performance monitoring allows correction when deviation occurs and there is continuous feedback.

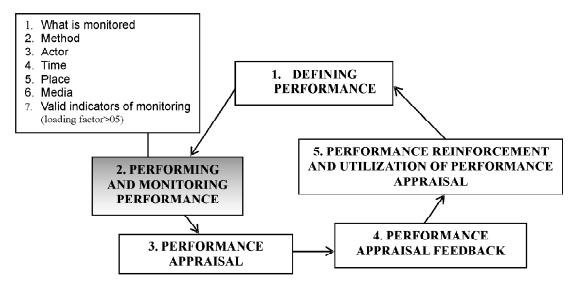


Figure 10: Stage 2 Performing and Monitoring Performance

Table 9
Stage 2Performing and Monitoring Performance

Nø	Activities	Explanation
1.	What is monitored	Processes, behaviors, results.
2.	Monitoring methods	Informally, feedback, coaching, counseling, on-the job training, mentoring, lure of incentives / wages, increase monitoring to give better service quality to visitors.
3.	Actors involved	Employees, direct supervisors, owner, feedback from visitors.
4.	Monitoring time	Every day, every week, based on time table / volume of work.
5.	Monitoring place	As per work requirement.
6.	Monitoringmedia	Written or oral.
7.	Valid indicators of monitoring (loading factor>05)	Guidance, motivation.

Explanation of stage 2Performing and Monitoring Performance are as follows.

1. What is monitored?

In the case examples in 5 research objects are as follows.

- Implementation of work in the form of work processes, work behavior, work results.
- Day to day operation, so once there is a deviation allows to be directly corrected.

2. Monitoring methods

Based of the case examples in 5 research objects and perception of visitors to service quality.

- Informal :
 - i) per day: briefings every morning, face to face, reports, superiors down to the field.
 - ii) per week: discussion.
- The role of important and multifunctional leaders: providing feedback, coaching, counseling, job training, mentoring, feedback, the lure of providing incentives for employees who contribute the most.
- For freelancers (elementary school educational background):
 - supervisors calculate wages based on work contribution per day.
 - freelancers is considered as a co-worker, not telling / giving orders but asking for help.
 - Improve employee supervision so that employees give better service quality to the visitors.

3. Actors involved

In the case examples in 5 research objects: employees, direct supervisors, owner, and feedback from visitors.

4. Monitoring time

In the case examples in 5 research objects: every working day, every week, or by time table, or by volume of work.

5. Monitoring place

In the case examples in 5 research objects: sporadic as needed where the work is available, according to the block / land of each.

6. Monitoring media

In the case examples in 5 research objects: in the form of office documents (daily workmanship reports, attendance, notes held by immediate supervisors) or based on the memory of superiors.

7. Indicator of monitoring performance

Based on the results of statistical data processing in 5 research objects, a valid performance monitoring indicator (loading factor > 0.5) are as follows.

- Direct supervisors provide guidance to employees when there is an inadequate assessment component.
- Direct supervisors provide motivation to employees if there are employees who are not eager / lazy in working.

6.8.3. PerformanceAppraisal

Performance appraisals play an important role in the effectiveness of performance management. Performance appraisal strongly reflects the success or failure of the company to achieve organizational strategy. A good performance assessment will ensure that individual efforts contribute to the organization's strategic focus. Performance appraisal has a positive effect on employee satisfaction and motivation to improve performance (Selvarajan, 2011). Ida Nuraida, Yuwana Marjuka and Banowati Talim

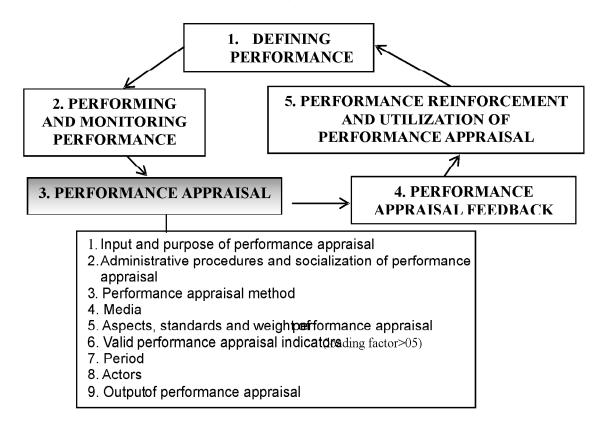


Figure 11: Stage 3 Performance Appraisal

	Stage 3 Performance Appraisal				
No	Activities	Explanation			
1.	Input of performance appraisal	Implementation and performance results, latest reports, time tables, on-line applications.			
	Purpose of performance appraisal	Improve performance, ensure successful work, rewards, promotions.			
2.	Administrative procedures	According to the needs. According to the needs.			
	Socialization of performance appraisal				
3.	Performance appraisal method	Interviewing, couching, counseling, discussion, monitoring, inspection, communication way, how to assess good and bad performance.			
4.	Media of performance appraisal	Documents and or non-documents.			
5.	Aspects, standards and weight of	Aspects assessed are results, behaviors, processes. For standard and			
	performance appraisal	weight, there are differentiation based on manager level, operational level of primary and secondary education.			
6.	Valid performance appraisal indicators	Objectives, aspects and measures are clear and complete, rater is capable			
	(loading factor>05)	and fair, standards communicated, preparing supportive office media.			
7.	Period of performance appraisal	Based on the time table of each project, differentiated between			
		freelancers and permanent employees.			
8.	Actors involved	Direct supervisor, mutual cross check in weekly discussions.			
9.	Output of performance appraisal	As expected or not, what factors are inhibiting or supporting good			
		performance.			

Table 10Stage 3 Performance Appraisal

International Journal of Applied Business and Economic Research

Explanation of stage3 Performance Appraisal are as follows.

1. Input needed for performance appraisal

In the case examples in 5 research objects: Input of performance appraisal can be the results, process, behaviours, of implementation and monitoring work, weekly report accumulation, on-line application, time table. The purpose of performance appraisal is to improve performance, ensure successful work / success, determine rewards, determine promotion decision.

2. Administrative procedures and socialization of performance appraisal

In the case examples in 5 research objects are as follows.Procedures and socialization of performance appraisal administration are tailored to the needs: socialized during observation period, not required if daily monitoring is performed, checking whether the work is in accordance with the instructions of the supervisor, checking whether done consistently and consequency, morning briefings,check attendance.

Socialization of performance regulations is conducted as needed in the field: reduce-reuse-recycle, reduce pesticide use.

3. Performance appraisal method

In the case examples in 5 research objects.

- Review of assessment results followed by interviews, couching, counseling, personal or group discussions.
- Means of assessment to improve capability: daily direct monitoring and monitoring, daily unannounced inspections.
- Communication: informal, personal between direct supervisor and employee
- How to rate good or bad performance is based:
 - o On the memory of the direct superior of the monitoring results
 - o Complain or feedback from visitors
 - o Conditions of agro-tourism products enjoyed/sold
 - o Flat system, transfer of knowledge, time and motion study (whether working regularly with time according to standard)
 - o Daily work report
 - o Sudden inspection to the field.

4. Media of performance appraisal

In the case examples in 5 research objects.

- Office documents: eg workmanship form, attendance, supervisors note, photo, soft copy, KPI
- Non-office documents: direct communication between superiors and subordinates

5. Aspects, standards and weight of performance appraisal

In the case examples in 5 research objects.

- Rated aspects.
 - o Operational employees who have primary level of education: work (eg physical quality and output), work processes (eg whether work if not monitored, worker conflicts work), work behavior (honesty, friendliness of visitors).
 - o Operational employee who have secondary levels of education: work, processes (eg skilled in work, attendance, consistent work and responsibility), attitude-behaviors (eg friendly, good manners, honesty, loyalty, discipline)
 - o For supervisor/manager level tertiary education level: the work, the process (cooperation, consistent work, responsibility, leadership, ideas, work knowledge, decision-making, problem-solving skills), attitude-behavior (friendly, courteous, honest, loyalty, discipline).
- Standard and weighted performance appraisal.
 - Operational employee who have secondary levels of education: observed by direct superior based on its contribution to the company, KPI
 - For supervisor/manager level tertiary education level: KPI
 - langsung Depending on the policy of the immediate supervisor.

6. Performance appraisal indicators

The supervisor needs to pay attention to the necessary matters that are acceptable to the employee and are applied fairly as this has a direct impact on employee satisfaction and motivation to improve performance. Based on the results of statistical data processing in 5 research objects, a valid performance appraisal indicator (loading factor> 0.5) are as follows.

- 1. Performance appraisal
 - Aims to improve performance
 - Minimum is done annually for permanent employees
 - Conducted objectively.
- 2. Aspects of performance appraisal
 - Made adequately
 - Reflects the critical matters of the employee's work (no contamination is not relevant)
 - Measures used to assess aspects of performance appraisal are made clear and complete (no deficiency / not all assessed)
 - A description of measurable (quantitative) or work (productivity) aspects is made clear and complete
 - Description of the aspects that can not be measured (qualitative) is made clear and complete
 - Assessment of aspects of the work process of employees in agro-tourism made completely
 - Assessment on attitude aspect / employee working behavior in agro-tourism made completely.

- 3. Appraisers of performance
 - Different appraisers provide the same assessment (interrater reliability) if the measured object does not change.
 - Assessment is not much different from the assessment at different times (test reliability) if the measured object does not change.
 - Appraisers have an understanding and ability to assess performance
 - Penilai adil (memperlakukan sama, memperlakukan tidak setara) dalam menilai hasil kinerja karyawan
- 4. Performance appraisal standards
 - Need to be communicated to employees
 - Made completely and clearly
 - Needs to be updated.
- 5. Employee performance appraisal system is made to be clear, understandable and applicable.
- 6. Prepare the office media for adequate monitoring and performance appraisal appraisals (eg, use of forms, soft copies).

7. Period of performance appraisal

In the case examples in 5 research objects.

- Freelancers
 - o Each day to determine the wages freelancers for the day
 - o Annually for the distribution of the net income/surplus
- Permanent employee: weekly and yearly
- Based on time table and time line for fluctuating / non-routine jobs.

8. Actors involved

In the case examples in 5 research object : direct supervisors or crosscheck each other in weekly routine discussions

9. Output of performance appraisal

In the case examples in 5 research object: the results of the evaluation of the direct superior whether effective or not, whether there are factors that inhibit good performance, whether there are factors that support good performance, is there any complaints from visitors.

6.8.4. PerformanceAppraisal Feedback

Performance appraisal is a tool that provides feedback to improve work motivation and influence employee satisfaction (Selvarajan, 2009: 398; Selvarajan, 2011: 13). The results of performance appraisal can also be used for performance improvement and performance feedback, as mentioned by Werther and Davis (1996: 340-341). Performance feedback is conducted in the monitoring and performance appraisal stages.

Ida Nuraida, Yuwana Marjuka and Banowati Talim

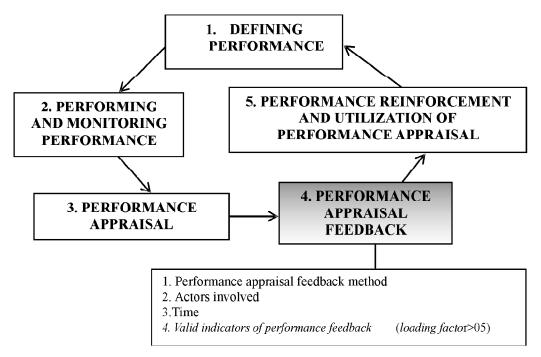


Figure 12: Stage4 Performance Appraisal Feedback

Table 11			
Stage 4 Performance Appraisal Feedback			

No	Activities	Explanation
1.	Performance appraisal feedback method	Discussion, interview, coaching, counseling, determining performance correction of how good and how bad performance are.
2.	Actors involved	Employee, direct supervisors, owner.
3.	Timing of performance appraisal	Anytime, every day / every briefing, every week, according to the time
	feedback	table, distinguished for freelancers and permanent employees.
4.	Valid indicators of performance	Quickly, employees understand.
	feedback (loading factor>0,5)	

Explanation of stage4 Performance Appraisal Feedbackare as follows.

1. Performance appraisal feedback method

In the case examples in 5 research objects are as follows.

- Dicussion and interview
- Couching and counseling
- Determine how to correct poor performance: reprimand, personal approach by giving examples, letters 1-3, not promoted, training, workshop, outbound, demotion, fired, cut incentives, asked whether performance is as expected as in the initial agreement and if not accordingly then asked them the solution. Feedback is given with tolerance, it's mean that less performance still praised but th employee is encouraged to improve their performance. For freelancers who have elementary school education background or lower: superiors encourage freelancers to find their own answers to what the mistakes are, create a co-worker's atmosphere.

 Determine how to maintain / develop good performance: trusted to find other ideas or do more complex tasks, incentives, tips, study tour.

2. Actors involved

In the case examples in 5 research objects: employee, direct supervisors, owner.

3. Timing of performance appraisal feedback

In the case examples in 5 research objects are as follows : anytime / every excecutin of job, every morning briefing, weekly discussion, weekly personalized feedback for freelancers, weekly and annual personal feedback for permanent employees, according to time table.

4. Valid indicators of performance appraisal feedback

Based on AMOS confirmatory analysis of quantitative data, a valid performance feedback indicator (load factor> 0.5) are as follows.

- The time interval between providing performance feedback and performance appraisal times is short.
- The supervisor directly informs the component of the assessment to be corrected by the employee.
- Employees understand how to improve performance that is less based on feedback from superiors.

6.8.5. Performance Reinforcement and Utilization of Performance Appraisal

The results of performance appraisal can be utilized to strengthen performance and improve the functional areas of human resource management, as mentioned by Werther and Davis (1996). Reward and punishment is an effort to reinforce the desired performance and to ensure that employees are rewarded fairly and objectively.

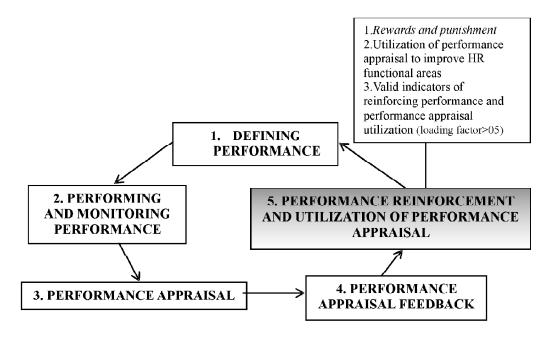


Figure 14: Stage5 Performance Reinforcement and Utilization of Performance Appraisal

No	Activities	Explanation
1.	Determine rewards for good performance Determine punishment for poor performance	Distinguished for permanent employees and freelancers. Given fairly, it can be a warning, warning letter, demotion, paycheck, fired, do not pay attention, punish them who do not give good service quality to visitors.
2.	Utilization of performance appraisal to improve functional areas of human resource management	1 2
3.	Valid indicators of reinforcing performance and utilization of performance appraisal to improve functional areas of human resource management (loading factors> 0.5)	Rewards and punishment are given fairly, there are implications of performance appraisal of employment decisions.

 Table 12

 Stage5 Performance Reinforcement and Utilization of Performance Appraisal

Explanation of stage5Reinforcement Performance and Utilization of Performance Appraisal are as follows.

1. Determine rewards for good performance and punishment for poor performance

Rewards for good performance are as follows.

- Supervisor buy some food for employees, praised.
- Increased salaries, holidays,
- Compensation package of permanent employees is as follows.
 - Basic salary is paid according to company regulations (per week, per month).
 - Benefits: religious holiday allowance, transportation, health, attendance, lunch.
 - Bonus for achievement above standard, net income.
 - Incentives: awarded on the basis of employee performance output in providing the best service contribution, or by the number of visitors.
 - Overtime pay.
 - Premiums for additional work.
- Compensation for freelancers are as follow.
 - Daily wage below or equal to regional minimum wage, depending on capability.
 - Incentives: depending on the performance of employees in providing the best service, can be in the form of tips / premiums for additional work.
 - Benefits like attendance money, lunch.

Punishment for poor performance / deviation, based on case example in 5 research objects and visitor perception on service quality, are as follows.

- Reprimands, warning letters 1-3, demotions, cut incentives, fired
- Freelancers who have primary education level or never go to school: be silenced until freelancers go to superiors, do not give daily money, fired if caught stealing or harming outsiders.
- Give punishment for employees who do not serve visitors well.

2. Utilization of performance appraisal to improve functional areas of human resource management

In the case examples in 5 research objects and visitor perception on service quality, are as follows.

- Adding foreign language courses, especially for tour guides.
- Adding new employees.
- Promotion for employees who havegood performance.
- Create Standard of Operating Procedure for performance appraisal system
- Improved recruitment and selection process: recruit friendly employees, making banners, requiring applicants to make job application letter.
- Improved rewards system: freelancers should not be paid daily, but need to get paid in accordance with the resulting performance.
- Increase training to improve service quality to visitors.

3. Valid indicators of reinforcing performance and utilization of performance appraisal to improve functional areas of human resource management

Based on the results of statistical data processing in 5 research objects, obtained a valid performance reinforcing indicator (loading factor> 0.5) as follows.

- Appreciation for work performance is given fairly
- Giving rewards to employees who are loyal to agro-tourism
- Punishment (punishment / sanction) for poor performance or performance violations should be applied fairly
- There are implications of employee performance appraisal of employment decisions

6.9. Comparison of Hypotheses with Employee Performance Management Models

Stą	ges/ stages	Hypotheses	Hypothesesaccepted/ rejected	Additions in the Employee Performance Management Model	
1.	Defining performance	Job description, job specification, job performance standard, bentuk rencana, aktor, proses, waktu, media, tempat.	Accepted (because the construct have indicators with loading factor> 0,5)	Confirmation of strategic planning, <i>Key Success Factor</i> (KSF), performance appraisal plan, identify routine and fluctuate tasks, Critical Success Factor (CSF), job description indicators and job performance standard indicators, satisfaction indicators and Key Performance Indicator for service quality.	
2.	Performing and monitoring performance	Metode, aktor, waktu, tempat, media.	Accepted (because the construct have l indicators with loading factor> 0,5)	What is monitored, performance monitoring indicators.	
3.	Performance appraisal	Tujuan, prosedur dan sosialisasi, metode, waktu, periode, aspek yang dinilai, standar dan bobot kinerja, aktor, media.	Accepted (because the construct have indicators with loading factor> 0,5)	Input for performance appraisal, performance appraisal indicators, output of performance appraisal.	
4.	Output of performance appraisal	Is performance in line with expectations, factors that support or hinder performance.	Rejected (because the construct does not have indicators with loading factor> 0,5	None.	
5.	Performance appraisal feedback	Method, actors, time.	Accepted (because the construct have indicators with loading factor> 0,5)	Performance appraisal feedback indicators.	
6.	Reinforcing performance and utilizing performance appraisal feedback	Rewards and punishment. Training and development, penilaian kinerja, rekrutmen dan seleksi.	Accepted (because the construct have indicators with loading factor> 0,5)	Standard Operating Procedure (SOP) of performance appraisal system, update Key Performance Indicator (KPI), Reinforcing performance and utilizing performance appraisal feedback indicators.	

 Table 13

 Hypotheses VersusEmployee Performance Management Models

Hypotheses 1, 2, 3, 5, and 6 are accepted, whereas hypothesis 4 is rejected because based on AMOS confirmatory analysis there are no indicators to describe it. For the accepted hypothesis, from hypotheses 1, 2, 3, 5, and 6, there are addition based on the findings of qualitative data and quantitative data in the field.

6.10. Uniqueness of Employee Performance Management Model

- 1. Work plans are made everyday, due to routine and fluctuate jobs.
- 2. There are additional indicators in the five stages based on the results of AMOS confirmatory analysis on quantitative data. Most indicators are given for the quality of service and its influence to satisfaction, becoming the KPI in the stage of defining performance.
- 3. Management of small and medium enterprises is relatively simple and informal, but in defining performance still refers to the vision and mission of the company.
- 4. The level of education can determine the capability so that the type of work is adjusted to the level of education. Employees with primary education, generally working as operational staff in the cultivation,

International Journal of Applied Business and Economic Research

maintenance of the environment and its contents (gardens, farms and livestock). Tour guides are entrusted to people who have foreign language capabilities and are able to provide education and training to visitors, minimum they are colledge students or people who already have tertiary education level. Service to visitors, tasks related to HR, finance, marketing, generally given to employees with a minimum level of secondary education. Managerial level is given to employees with tertiary education level.

- 5. This model differentiates leadership styles for employees with different educational backgrounds. Leadership style of boss adjusted to the level of education. For employees with a minimum level of secondary education (SMA), tend to be democratic / participative. They create work plans together, participate in developing work plans, create job descriptions, how to qualify people who do them, create standards and performance weights. As for employees with primary or lower education levels, tend to use the style of autocratic and paternalistic leadership. If psychological maturity is low, it can be complemented by a leadership style of selling, telling, providing appropriate stimuli and by creating a co-worker climate. They can not initiate or make their own work plans. Everything should be determined top down. They are considered immature so rarely given the opportunity to take the initiative, develop their own imagination and creativity.
- 6. Regardless of employee education background, the company considers employees not only as assets, but also considered as partners / colleagues, because every employee has the dignity, have dreams and expectations.
- 7. Performance appraisal is done by hierarchy. The scoring period is differentiated for freelancers and permanent employees. The methods, standards, weights, way of performance appraisal communications are mostly depend on the supervisor's policy. Aspects of performance appraisal for all employees are the same, those are results, processes and behavior.
- 8. Coaching, counseling, and discussion, are given during the stage of performance monitoring and the stage of performance appraisal feedback, and given to all employees with different educational backgrounds.

6.11. New Findings

- 1. Performance management model are made from supply side and demand side. Supply side is obtained from owner, manager and employee, while demand side is obtained from visitor perception on service quality and its influence to satisfaction.
- 2. Rewards are given critically and sensitively. Critical means the task of critical point has been done, sensitive means the award is given for the achievement in order to motivate the work better. Performance will improve if employees want to keep learning. Work is learning and pleasure paid. If employees want to get paid more, employees should be happy to learn more.
- 3. One effort to improve morale for employees with low level of education and psychological maturity, given material stimulation adapted to social culture to generate work motivation and loyalty responses to superiors.

6.12. Human Resource Standards Tourism Sector in the Era of the ASEAN Economic Community

The standard of tourism is prevailing globally. In 2009, Mutual Recognition Agreement (MRA) was implemented, to improve the quality of tourism human resources. Each country needs to increase their

Ida Nuraida, Yuwana Marjuka and Banowati Talim

respective advantages in the tourism sector. At the ASEAN level, it has been agreed and created Professional Certification Institute (LSP) for tourism human resources, which implemented in 2015. The goal is free flow of professionals and Skilled Workers among ASEAN countries, without boundaries. The competency certificate is described in the ASEAN Tourist Curriculum (ATA), issued by the Tourism Professional Certification Board (TPCB) based in Thailand, Malaysia and the Philippines, which has authority in each ASEAN country. Competencies that must be mastered include technical and general competence, to knowledge, skills, and attitudes / behaviour (ASEAN, 2012). This means that the MEA standards require agro-tourism employees to obtain competency certification in force in the Philippines, Malaysia, Thailand and other ASEAN countries.

Small and medium sized Agro business, especially in Kecamatan Lembang, Cisarua, and Parongpong, are not too concerned with the performance of human resources despite have been implementing formal or informal performance management. They have relatively low levels of openness and competition, mostly managed in a simple and informal manner, still have human resources with low levels of education, limited capabilities, limited funds, so are not prepared for global standard measures, owners cannot send their employees following certification of tourism professionals , at the level of globalization of the ASEAN Economic Community (MEA). As a result most of agrotourism in these three sub-districts still do not meet the MEA standards.

7. CONCLUTION

- In terms of performing performance management, Begonia Gardens, Kopi Luwak Cikole, Vin's Berry Park, and Little Farmer tend to be simpler, informal, more verbal communication and less use of office media. While the Window of Nature more use the standard rules written, formalities, standardization, and use of office media. This means that performance management can be implemented formally and informally. If it is still self-managed it will tend to be more informal, but if it starts to be delegated to others (such as management consultant at PT Jendela Alam) then it is demanded more formal in its management.
- 2. This study addresses the issue of reform with a mixed-method approach, using concepts that are appropriate to rural local communities (agro society) to produce bottom up models based on daily reality. The advantages of this model are as follows.
 - a) Provide a five-step guide with explanations and indicators to improve performance.
 - b) The employee performance management model comes from field findings that are suitable and relevant to be applied to the realities of situations and conditions in the field.
 - c) This model provides new breakthroughs, especially for small and medium enterprises agro sector that have not yet run formal and systematic performance management.
- 3. Employee performance management model.
 - a) Stage of defining performance: each job refers to the vision and mission as well as goals. Goals can be profit oriented or not. The educational background affects the capability, the job description setting, and the leadership style of the boss. Work plans are made daily by involving the participation of at least employee who graduates from senior high school . But it remains open to business dynamics.

- b) Stage of performing and monitoring performance are carried out at least daily with coaching, counseling, mentoring, on the job training, and discussion methods. Applies to all employees with different educational backgrounds.
- c) Stage of performance appraisal :depending on the policy of the direct supervisor. Aspects of performance appraisal of results, processes, and behavior, apply to all employees.
- d) Stage of performance appraisalfeedback :feedback on performance appraisals in the form of interviews, couching, counseling, discussions, are applied to all employees.
- e) Stage of reinforcement performance :rewards need to be interpreted as a reward for achievement, not considered merely a reward that falls without having to improve the achievement ahead for good performance. Strengthening performance in the form of punishment tailored to the capability and capture of employees. The utilization of performance appraisal stage is intended to improve performance. Performance appraisal results are used to determine training needs, rewards, feedback on the HR system in the company as a whole.

8. SUGGESTION

- 1. Since small and medium enterprises does not ready to send their staffs certified the competence of tourism professionals at the ASEAN Economic Community (AEC) level, it is recommended that they apply employee performance management models and to be applied continuously. The aim is that they begin to be directed to more professional-level work, in order to have more competitive advantage at a global level, especially among the ASEAN Economic Community (MEA). It is suggested that this employee performance management model can be a prototype for similar businesses on a larger scale with local modifications.
- 2. Small and medium agro business sector should be given socialization, mentoring and workshop about employee performance management model.
- 3. In implementing the employee performance management model, there are advices to small and medium agro-tourism, especially 5 research objects, as follows.
 - a) Stage of defining performance:
 - a) create a strategic plan for agro-tourism that has not made it yet. This helps provide referrals to be translated throughout the functional areas of human resource management, particularly performance management.
 - b) increase the use of written media and make Standard Operating Procedure (SOP) to reduce errors in the implementation of business activities because all instructions and important information and stage of work has been written and written clearly and neatly, to be complied together.
 - c) provide a more structured briefing to improve service quality to visitiors.
 - d) Stage of monitoring performance:superiors are advised to increase supervision of employees so that employees serve visitors well and there are on location when needed, for example by adding supervisors, installing cctv.

- b) Stage of performance appraisal :
 - a) aspects of performance appraisal: relate to work, clarified and equipped
 - b) performance appraisal standards: clear and measurable to be more reliable, understandable by rater and ratee, communicated to employees, and improves interrater reliability and test retest reliability so that appraisal of employees can be more equitable.
 - c) add the available monitoring instruments and performance appraisal of employees (eg use of forms, soft copies)
 - d) Make SOP of performance appraisal system.
- c) Stage of performance appraisal feedback: supervisors are advised to give more feedback on performance appraisals, informing components of the appraisal that employees must improve, speeding up the time gap between providing performance feedback with performance appraisal times.
- d) Stage of reinforcement performance : it is recommended to make punishment for employees who do not serve visitors well.
- e) Stage of utilization of performance appraisal : it is recommended to increase the training to improve service quality to visitors.

9. LIMITATIONS

This research method used case studies in three sub-districts only, so the limitation of this model is it requires adjustment of local modification if it will be implemented to other places with different characteristics. However, the results can be useful as inputs for other agro-tourism that have similar or useful characters for researchers interested in performance management of tourism service sector employees

10. FOLLOW UP

It needs to be continued with the socialization and assistance of the implementation of employee performance management model to this five agro-tourism companies. Then further research needs to be done to prove whether there are changes before and after its implementation.

REFERENCE

- Aguinis, H. (2005), Performance Management, Upper Saddle River NJ, Pearson Education.
- Anderson, Bjorn; et.al. (2006), Holistic Performance Management : An Integrated Framework. Emerald Group Publishing Limited. International Journal of Productivity and Performance Management. Vol. 55, No. 1.
- Armstrong, Michael. (2015), Armstrong's Handbook of Performance Management : An Evidence-Based Guide to Delivering High Performance. 5 th Edition. Kogan Page.
- Briscoe, D.B; Claus, L.M. (2008), *Employee Performance Management:Policies and Practices in Multinational Enterprises*, in P W Budwah and A DeNisi (eds), Performance Management Systems: A global perspective, Abingdon, Routledge.
- Chen, Dong. (April 2011), Research on Performance Management of Chinese SME.International Journal of Business and Management. Vol. 6, No. 4.
- DeNisi, Angelo S; Pritchard, Robert D. (2006), Performance Appraisal, Performance Management and Improving Individual Performance: A Motivational Framework. Management and Organization Review. Vol 2. Wiley.

International Journal of Applied Business and Economic Research

Ferdinand, Augusty. (2006), Structural Equation Modeling Dalam Penelitian Manajemen. Edisi 4. BP Undip.

- Ferreira, A.; Otley, D. (2009), The Design and Use of Performance Management Systems : An Extended Framework for Analysis. Management Accounting Research. Vol. 20 No. 4.
- Hidayat, Agus Syarip. (2008), ASEAN Economic Community (AEC) : Peluang dan Tantangan Bagi Indonesia. Jurnal Ekonomi dan Pembangunan.LIPI. Vol XVI (2).
- Koontz, Harold; Weihrich, Heinz. (1993), Management. A Global Perspective. Tenth Ed. Mc Graw-Hill.
- Moeheriono. (2012), Application Planning and the Development of Key Performance Indicators (KPI) for Business and Public. Jakarta: Rajawali Pers.
- Mondy, R. Wayne. (2008), Human Resource Management. Tenth Edition. Pearson International Ed.
- Noe, Raymond A; et al. (2000), Human Resource Management. 3 th Edition. Mc Graw-Hill International Edition. United State of America
- Nuraida, Ida. (2014), Manajemen Administrasi Perkantoran. Edisi Revisi. Kanisius. Yogyakarta.
- Nuraida, Ida. (2017), "Employee Performance Management Framework for Medium-sized Enterprises of Agrotourism Sector". Noble International Journal of Business and Management Research. ISSN(e): 2520-4521. Vol. 1. No. 4.
- Robbins, Stephen P; Coulter, Mary. (2014), *Management*, Global Edition, Twelfth Edition, Pearson Education Limited, England, 421.
- Selvarajan, T.T.; Cloninger, P.A. (2009), The Influence of Job Performance Outcomes on Ethical Assessments. Personnel Review.
- Selvarajan, T. T.; Cloninger, Peggy A. (2011), Can Performance Appraisals Motivate Employees To Improve Performance? A Mexican Study
- Schlafke, Marten; et al. (2013), A framework For Business Analytics In Performance Management. International Journal of Productivity and Performance Management. Vol. 62, No. 1.
- Sekaran, Uma; Bougie, Roger. (2010), Research Method For Business : A Skill-Building Approach. Fifth Edition. John Wiley & Sons Ltd.
- Silalahi, Ulber. (1999), Metode dan Metodologi Penelitian. Bina Budhaya. Bandung.
- Waal, Andre' A. De. (2007), Successful Performance Management? Apply The Strategic Performance Management Development Cyclel. Emerald Group Publishing Limited. Measuring Business Excellence. Vol. 11, No. 2.
- Werther, William B. Jr. ; Davis, Keith. (1996), Human Resources and Personnel Management. 5 th Edition. Mc Graw-Hill International Edition. United State of America.
- Yee, Rachel W. Y.; et.al. (2008), The Impact of Employee Satisfaction on Quality and Profitability.

Statistic Central Bureau. 15 -16 Februari 2016.

Kementerian Pariwisata. 26 Agustus 2015.

www.totalqualitymanagement.wordpress.com