

# The Effect of Soft Skills Competency, Teamwork, and Innovative Work Behavior on the Quality of Human Resources in the Digital Era

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**Abstract:** This paper describes a conceptual framework for investigating the effect of soft skills competency, teamwork, and innovative work behavior on the quality of Human Resources. Quality of human resources is needed to support the achievement of the organization's strategic goals and to support the improvement of organizational services to the community. The characteristics of human resources quality needed in this Digital Age today include innovative, creative, ethical, and never stops learning. This paper show research model for quantitative analysis by presenting the theoretical framework for each variables in the research. This study could be influential for organization's effectiveness by considering quality of human resources at work, in which need to continuous improvement from good to great. Good is enemy of great. Moreover, the findings of this study could enrich to the limited empirical research evidence about the dimension of quality of human resources which contribute to the effectiveness and competitiveness of the organization, especially in the Digital Era. This study had objective to examine the significance of characteristics factors influencing the quality of human resources which include soft skill competency, innovative work behaviour, and team work. Significant contributions to the theoretical and practical implications can be drawn from this research. The theoretical contribution to the body of knowledge includes the understanding of how human resources quality relate to soft skill competency, innovative work behaviour, and team work, in which this may enrich repertoire of knowledge that related to dimensions of quality of human resources in public organization in Indonesia in the Digital Era. In management practices, policy maker of the organization can determine policies based on the model of quality of human resources that significantly influences the achievement of Vision, Mission and Strategic's goals organization.

## 1 INTRODUCTION

The empirical research evidence related to the dimension of quality of human resources which contribute to the effectiveness and competitiveness of the organization in the Digital Era is still limited. The purpose of this paper is to present a conceptual framework for investigating the effect of soft skills competency, teamwork, and innovative work behavior on the quality of Human Resources. The urgency of understanding the factors which have effect to the quality of human resources among others is the importance of quality Human Resources (HR) who are needed to achieve competitive advantage, support the achievement of the organization's strategic goals, and to support the improvement of organizational services to the community, especially in the current digital era which are dynamic, connected and collaborative.

One of the characteristics of high-performance organizations in the 21st Century is an organization that is sustainable and highly competitive driven by "superior employee performance" / quality human resources (Soni, 2011). The characteristics of quality human resources needed in the Digital Era today include innovative, creative, ethical, and never stops learning (Gilbert, 2017). Whereas according to Raymond A. Noe, John R. Hollenbeck, Barry Gerhart (2015), challenges faced by organizations to achieve competitive advantage include: sustainability challenge, global challenge, and technology challenge.

In this Digital Era, work systems is changing, in which influences the competencies that must be possessed by workers. This is a challenge which triggers an urgent need to improve quality in all types of organizations, including public organizations and private organizations. For this

reason, employees must evolve in terms of work ethic. The quality of HR needs to be continuously improved, not just stopping at the level of "Good" but needs to be continuously increased towards the level of "Great". According to Collins (2001), good is the enemy of great. Gilabert (2017) stated that the Era of the Fourth Industrial Revolution or the Digital Era is for highly qualified human resources who have a large capacity for adaptation, flexibility and continuous learning.

## 2 THEORETICAL FRAMEWORK

### 2.1 Quality of Human Resources

According to Ruky in (Mokodompis, 2008), the quality of Human Resources is "The level of knowledge, ability, and willingness that can be demonstrated by human resources". That level is compared to the level needed from time to time by organizations. The ability of employees as human resources in an organization is very important meaning and existence to increase work productivity in the organization. Humans are one of the most important elements that determine the success or failure of an organization to achieve its Vision, Mission and strategic goals. Meanwhile according to Gilabert (2017), the characteristics of quality human resources needed in the Digital Era currently include innovative, creative, ethical and never stops learning.

The human resource largely accepted as the most important resource of any organization may be described by different qualities like creativity, education level, communication skill, leadership skill, and many others. These qualities may become more or less important according to the specific requirements of each position. Every organization needs competent HR, so that it can provide excellent and valuable services. No matter how small an organization is, the effectiveness of Human Resource Management is seen as influencing the performance of the organization. This is in line with John M. Ivancevich (2013) who stated that human resources management is the function performed in organizations that facilitates the most effective use of people to achieve organizational and individual goals.

Jeff Schwartz, Collins, Stockton, Wagner, & Walsh (2017) mentioned that Rapid changes is not limited to technology, but encompasses society and demographics as well. Business and Human Resource Leaders can no longer continue to operate

according to old paradigms. They must now embrace new ways of thinking about their companies, their talent, and their role in global social issues". Joan E. Pynes (2009) said that Human resource management is the design of formal systems in an organization to ensure the effective use of employees' knowledge, skills, abilities and other characteristics to accomplish organizational goals. Meanwhile Tracey & Heathfield (2018) defines Human Resources as, the people that staff and operate an organization, as contrasted with the financial and material resources of an organization. A human resource is a single person or employee within your organization. Human resources refer to all of the people you employ.

Public Organizations / Governments have reformed the paradigm of "low performance - poor service quality" by abandoning the traditional management system; implement "New Public Management": the application of a professional management system in the Public sector which among others aims to improve the quality of public services, strengthen organizational culture, and motivate to make changes and continuous and total improvements. Quality service is an effort made by the company to meet the expectations of its customers. Quality service emphasizes customer satisfaction. Lupiyoadi stated that there are five dimensions of service, namely tangibles (physical evidence), reliable (reliability), responsiveness, assurance (guarantee) and empathy. Reliability, namely the company's ability to provide services as promised accurately and reliably. Performance must be in accordance with customer expectations which means timeliness, the same service for all customers without errors, sympathetic attitudes, and with high accuracy.

John M. Ivancevich (2013) defines quality as follows "quality is defined as meeting customers' needs and expectation". Robbins & Coulter (2018) define quality as follows: quality as the ability of a product or service to reliably do what it's supposed to do and to satisfy customer expectations. Goetsch & Stanley B. Davis (2010) define quality as follows, "quality is a dynamic state associated with products, services, people, processes, and environments that meets or exceeds expectations". Edwards Deming in Wibowo (2016) mentioned that to be successful in implementing TQM (Total Quality Management), an organization must concentrate on 8 key elements, such as Customer Focus, Total Employee Involvement, Process-centred, Integrated System, Strategy and Systematic Approach, Continuous

Improvement, Fact-based decision making, and Communication.

Based on the description of the quality of human resources above, it can be synthesized the quality of human resources is organizational resources that have a strategic role in the enlightenment of organizational goals, which have high performance characters, continuously learn to improve their competencies, so as to provide excellent service to meet stakeholder needs, with indicators: (1) focus on customers (responsive), (2) never stops learning, (3) reliable, and (4) systemic.

## 2.2 Softskill Competency

Employees must be skilled in managing conflict and creating inclusions to improve team performance and to collaborate in generating innovative ideas. Having a college diploma does not guarantee that someone has all the competencies needed to succeed in the work environment. Employers look for people who have hard skills and soft skills. According to Wats and Wats (2008) in Meeks (2017), a person's success in the work environment depends on 85% soft skills, and only 15% hard skills. Soft skills are defined as a combination of personal qualities, interpersonal skills, and additional skills/knowledge that help an employee better perform their job". Soft skills correspond to the skills in the human, conceptual, leadership, and interpersonal categories.

Kim-Spoon, Maciejewski, Lee, Deater-Deckard, & King-Casas (2017) defines competence as follows, "competence is expected to improve as young people mature and learn across multiple domains of adaptation in basic capabilities and coordinated execution of actions". Competence is basically the process of increasing a person's ability from a low ability to a better ability in accordance with standards and all his actions are well coordinated.

Stevens & Campion (1994) suggested a taxonomy of individual competencies needed for teamwork to measure knowledge, skill, and ability (KSA) for staffing teams within the organization. The taxonomy for five dimensions of competencies consist of:

1. conflict resolution (managing effectively and resolving conflict),
2. collaborative problem solving (recognizing opportunities and involving all teams),
3. communication (including establishing both verbal and non-verbal communication networks),

4. goal setting and performance management (establishing specific, challenging, and realistic goals, then monitoring feedback on performance),
5. planning and task coordination (coordinating tasks, and information to establish role expectations) – Weber et.al., (2012)

Based on the description of soft skills competencies above, it can be synthesized that soft skills competencies are competencies needed by someone who is related to other people and their self-regulating skills at work, with indicators, 1) communication, 2) problem solving, 3) working in teams, 4) managing information, and 5) professional.

## 2.3 Teamwork

Teamwork is a form of group work with complementary skills and is committed to achieving previously agreed missions to achieve common goals effectively and efficiently. It must be realized that teamwork is a variety of personal fusion that becomes a person to achieve a common goal. A team really needs the willingness to join hands to get the job done.

Edward Sallis (2002) defines team work as follow, "team work is based on mutual trust and established relationship, only when a team has an identity and purpose to operate effectively". An effective team is a team that allows its members to be able to produce a task that is larger than the results of individual work because the results of their work are the result of the contributions of team members together.

John R. Schemerhorn (2013) mentioned that "teamwork is the process of people working together to accomplish these goals". Teamwork is a work process in groups with participatory leadership, shared responsibilities, goal alignment, intensive communication, focus on the future, focus on tasks, creative talents and quick responses to achieving organizational goals. John R.Schemerhorn, Osborn, Uhl-Bein, & Hunt (2012) stated that "teamwork occurs when team members accept and live up to their collective accountability by actively working together so that all their respective skills are best used to achieve team goals". Teamwork is a group whose individual efforts produce higher performance than the number of individual inputs. This means that the performance achieved by a team is better than the performance per individual in an organization.

Harris & Hartman (2002) defines team work as follows, "teamwork is people working together for

the common good". Fredh Luthans (2008) mentioned that: A working group's performance is a function of what its members do as individuals. A team's performance includes both individual results and what we call collective work-products. A collective work product is what two or more members must work on together, reflects the joint, real contribution of team members.

Stueart & Morgan (2002) mentioned that "a work team is a group of people who interact and coordinate their work in order to accomplish specific work goals". Debra L. Nelson (2006) define that "team work is a group of people with complementary skill who are committed to a common mission, performance goals and approach for which they hold themselves mutually accountable". Team collaboration is defined as the actions of flexible behaviours, cognitions, and attitudes related to changes in the internal and external environment, which include a collaborative process that enables ordinary people to achieve extraordinary results. Team collaboration integrates thoughts, feelings, and actions among team members to achieve performance goals (Scarnati 2001, Salas et.al.2007) in Renny Rochani Budijanto (2013). Team collaboration is becoming increasingly important in public and private organizations, because collaboration and synergy among team members results in achieving better goals. In addition, the interdependent effects of team collaboration at the individual, group level and organizational level are believed to accelerate the process, improve quality assurance, expand innovation, encourage more efficient work behaviour, expand work capacity, and develop social sensitivity and personality (Scarnati 2001, Salas et.al.2007, Marosi & Bencsik 2009) in Renny Rochani Budijanto (2013).

Based on the description of team work above, it can be synthesized that team work is a group of people with different abilities, talents, experiences, and backgrounds who gather together in the same place in a team to achieve a goal, with indicators, 1) have one direction goal, 2) delegation / interdependence between team members, and 3) have one commitment.

#### d. Innovative work behavior

The term innovation in organizations was first introduced by Schumpeter in 1934. Innovation was seen as the creation and implementation of new combinations. The term new combination can refer to new products, services, work processes, markets, policies and systems. In innovation, added value can

be created, both for organizations, shareholders, and the wider community. Therefore most definitions of innovation include the development and implementation of something new. Scoot and Bruce in Bos-Nehles, Renkema, & Janssen (2017) define innovative work behaviour as follows : innovative work behaviour is more than creativity although creativity is a necessary part of innovative work behaviour, especially in the beginning, in order to generate new and useful ideas. Innovation can be interpreted as the introduction and application of new ideas, processes, products or procedures in work, work teams, or organizations that are designed to benefit the organization, work team, or the work of the employee itself.

Woods, Mustafa, Anderson, & Sayer (2017) define innovative work behaviour as creativity and innovation at work are the process, outcomes, and products of attempts to develop and introduce new and improved ways of doing things. Meanwhile, Amabile in Messmann, Stoffers, Van der Heijden, & H.Mulder (2017) describe innovative work behaviour as follows: based on models of creativity, innovative work behaviour is defined as the sum of all physical and cognitive work activities which employees carry out individually or interactively in their work context with the intention of accomplishing a set of interdependent requirements that are necessary for the development of an innovation. Due to the complex nature of innovation processes, individuals may be repeatedly and simultaneously involved in the accomplishment of these requirements for innovation development.

In conceptualizations of innovative work behaviour, the dimensions opportunity exploration, idea generation, idea promotion, and idea realization are distinguished. These dimensions represent both the creative side (i.e., opportunity exploration and idea generation) and the implementation side of an innovation (i.e., idea promotion and idea realization). Innovative work behaviour is not just to generate new ideas but also involves the implementation process of these ideas, especially on every job. De Jong and Den Hartog in Messmann et al., (2017) define innovative work behaviour as follows: innovative work behaviour is as the recognition of problems and initiation and intentional introduction within a work role, group, or organization of novel and useful ideas concerning products, services, and work methods, as well as set of behaviours needed to develop, launch and implement these ideas. West and Farr in Agarwal, Datta, Blake-Beard, & Bhargava (2012) stated that, "innovative work behaviour is intentional creation,

introduction, and application of new ideas within a work role, group, or organisation to benefit role performance, a group, or an organization”. Innovative work behaviour as creativity and innovation at work are the process, outcomes and product of attempts to develop and introduce new improved ways of doing things. The creativity stage of this process refers to idea generation and innovation to the subsequent stage of implementing idea toward better procedures, practices or products.

From the description above, it can be synthesized that innovative work behaviour is everything a person does in his job with oriented to develop new ideas that can lead innovation, with indicators 1) developing new ideas, 2) creativity in work, and 3) make a breakthrough to implement the new ideas.

### 3 RESEARCH METHODS

In prior studies, many researchers investigate relationship between quality of human resources and motivation, performance, employee satisfaction, and many others. However, there is still rare study which examine the dimension factors of human resources quality towards soft skill competencies, innovative work behavior, and team work. Herewith some of the results of research related to soft-skill competencies, teamwork, innovative work behavior, and the quality of human resources which is presented in the Table 1 below.

### 4 CONCEPTUAL REVIEW

In prior studies, many researchers investigate relationship between quality of human resources and motivation, performance, employee satisfaction, and many others. However, there is still rare study which examine the dimension factors of human resources quality towards soft skill competencies, innovative work behavior, and team work. Herewith some of the results of research related to soft-skill competencies, teamwork, innovative work behavior, and the quality of human resources which is presented in the Table 1 below.

Table 1: Summary of Related Research.

No	Researcher	Title of Journal	X1	X2	X3	Y
1	Jolanda A. Botke	Work factors influencing the transfer stages of soft skills training: A literature review	X			X
2	Rosli Ibrahim, Ali Boerhannoceddin, Kazcem Kayode	The effect of soft skills and training methodology on employee performance	X			X
3	Keow Ngang Tang	The importance of soft skills acquisition by teachers in higher education institutions	X			X
4	Suravee Rongranga, Kanokorn ompracha S.	Soft skills for private Basic Education schools in Thailand	X			X
5	Alexander Newman	The effects of employees' creative self-efficacy on innovative behavior: The role of entrepreneurial leadership			X	X
6	Suzanne Polis	Factors contributing to nursing team work in an acute care tertiary hospital		X		X
7	Chan Tze Leong dan Amran Rasil	The Relationship between Innovative Work Behavior on W (Ibrahim, Boerhannoceddin and Bakare, 2017)ork Role Performance: An Empirical Study			X	X

Note:  
 X1: Soft skill competency  
 X2 : Team Work  
 X3 : Innovative work behaviour  
 Y: Quality of Human Resource

#### 4.1 Soft Skill Competency and Quality of Human Resources

Mitchell in C. Wesley, Prier Jackson, & Lee (2017) suggested that a soft skill could be viewed as the level of commitment of a person that sets them apart from other individuals who may have similar skills and experience. In today’s changed work world, soft skills are as important as cognitive skills and make up of a combination of universally desired interpersonal skills and personal attributes. The lack of soft skills can certainly sink the promising career of someone who has technical ability and professional expertise but who has no interpersonal qualities.

Based on the description above there is a positive relationship between soft-skill competence and the quality of human resources.

#### 4.2 Team Work and Quality of Human Resources

Rohtwell and Arnold in Ibrahim et al. (2017) described that most employers today expect workers to demonstrate and excel in many ‘soft’ skills such as teamwork and group development. Employee creates such as teamwork influence on the quality of human resources in organizations. To achieve a high work performance culture, an organization must provide its employees' training and development programs designed specifically to install, build and change their attitudes and/or behaviors towards several organizational functions. Based on the description above there is a positive relationship between teamwork and the quality of human resources.

### 4.3 Innovative Work Behaviour and Quality of Human Resources

Shalley in Prieto & Pérez-Santana (2014) mentioned that as environments become more complex and dynamic, firms must become more innovative in order to identify more opportunities for sustained superior performance. Innovative work behavior influence to quality human resource management. Innovation initiatives tend to depend heavily on employees' human capital and behavior at work as key inputs in the value creation process.

Based on the description above there is a positive relationship between innovative work behavior and the quality of human resources.

Based on all the description above, it can be drawn the research model as follows:

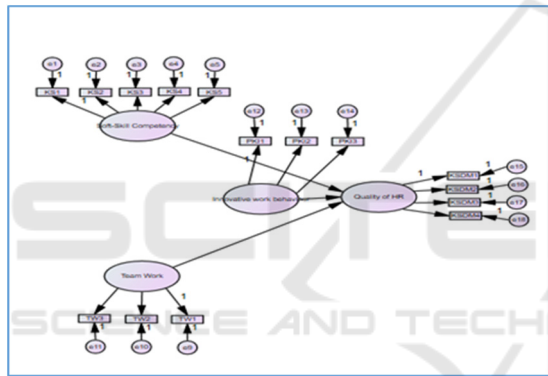


Figure 1: Research Model

From the research model above, the statistical hypothesis that can be developed, namely:

- a. First Hypothesis: there is a positive direct effect of soft skill competence (X1) on the quality of human resources (Y)  
 $H_0 : \beta_{y_1} \leq 0$   
 $H_1 : \beta_{y_1} > 0$
- b. Second Hypothesis: there is a positive direct effect of teamwork (X2) on the quality of human resources (Y)  
 $H_0 : \beta_{y_2} \leq 0$   
 $H_1 : \beta_{y_2} > 0$
- c. Third Hypothesis: there is a positive direct effect of innovative work behavior (X3) on the quality of human resources (Y)  
 $H_0 : \beta_{y_3} \leq 0$   
 $H_1 : \beta_{y_3} > 0$

### 5 CONCLUSIONS

One aim of this paper is to describe a conceptual framework for investigating the effect of soft skills competency, teamwork, and innovative work behavior on the quality of Human Resources. The theoretical framework presented here confirm that:

1. there is a positive relationship between soft-skill competence and the quality of human resources, with the indicators are: 1) focus on customers (responsive), 2) never stops learning, 3) reliable, and 4) systemic.
2. there is a positive relationship between teamwork and the quality of human resources, with the indicators are 1) have one direction goal, 2) delegation / interdependence between team members, and 3) have one commitment;
3. there is a positive relationship between innovative work behaviour and the quality of human resources, with the indicators are 1) developing new ideas, 2) creativity in work, and 3) make a breakthrough for the application of new ideas.

This study could enrich to the limited empirical research evidence about the dimension of quality of human resources which contribute to the effectiveness and competitiveness of the organization, especially in the Digital Era.

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