

INFLUENCE OF COMPETENCE, MANAGERIAL AND ORGANIZATIONAL SUPPORT ON EMPLOYEE PERFORMANCE IN THE XYZ RETAIL STORE

Salsabila Asy Syifa^{1*}, Popong Nurhayati¹, Anggraini Sukmawati²

¹School of Business, IPB University

SB IPB Building, Pajajaran Road, Bogor 16128, Indonesia

²Department of Management, Faculty of Economics and Management, IPB University

Jl. Agatis, IPB Dramaga Campus, Bogor, Indonesia

Article history:

Received
14 January 2026

Revised
15 May 2026

Accepted
10 August 2026

Available online
30 September 2026

This is an open access
article under the CC BY
license (<https://creativecommons.org/licenses/by/4.0/>)



Abstract:

Background: Employee performance serves as a key determinant of success in modern retail businesses reliant on rapid customer service and high operational quality, influenced by individual competence, managerial support, and organizational support.

Purpose: This study aims to examine the simultaneous effects of individual competence, managerial support, and organizational support on employee performance at XYZ retail stores in Central Lampung, including their roles in enhancing competence.

Design/methodology/approach: A quantitative explanatory approach was employed via questionnaires from 170 respondents (proportional Slovin sampling from 294 employees), analyzed using Structural Equation Modeling-Partial Least Square (SEM-PLS) with SmartPLS 4.1.

Findings/Result: Individual competence ($\beta=0.295$, $p=0.003$), managerial support ($\beta=0.247$, $p=0.002$), and organizational support ($\beta=0.212$, $p=0.006$) positively and significantly influenced employee performance; managerial ($\beta=0.508$, $p=0.000$) and organizational support ($\beta=0.312$, $p=0.000$) also strengthened competence, with moderate R^2 (0.339-0.405), Q^2 , and high GoF (0.523).

Conclusion: Retail firms should prioritize competence development via training, effective managerial coordination, and supportive work environments to optimize employee performance and sustain competitiveness.

Originality/Value (State of the art): This research offers originality through an integrated model of three predictors using two-stage HOC-SEM-PLS in the Indonesian retail context, filling empirical gaps from separate non-retail studies, and providing practical implications for retail HR digital transformation.

Keywords: employee performance, individual competence, managerial support, organizational support, customer service

How to Cite:

Syifa, S. A., Nurhayati, P., & Sukmawanti, A. (2026). Influence of competence, managerial and organizational support on employee performance in the XYZ retail store. *Jurnal Aplikasi Bisnis dan Manajemen*, 12(3), 868. <https://doi.org/10.17358/jabm.12.3.868>

* Corresponding author:

Email: salsabilaasyifa@apps.ipb.ac.id

INTRODUCTION

Human resource (HR) performance is a crucial pillar in the success and growth of an organization because HR is a valuable asset capable of adding value through abilities, expertise, and dedication to work, so that optimal HR performance levels can create a productive, harmonious, and innovative work environment and are directly related to achieving organizational goals, operational efficiency, and competitive advantage (Simanjuntak, 2019). Performance evaluation on a regular basis can help companies or organizations identify employee potential and development needs as well as provide direction for improving competence, making investment in HR development and performance management key to achieving long-term organizational success (Simanjuntak, 2019). HR performance is a critical factor in business success, especially in the retail industry that encompasses various types of stores, supermarkets, and shopping centers offering goods and services to end consumers, where retail business success heavily depends on the quality of employee performance carrying out daily operations such as customer service, product provisioning, and sales, and the presence of employee performance strongly supports the creation of maximal service quality (Rizqiawan & Novianto, 2021). There are many supporting factors that influence employee performance in modern retail, not only individual competence of each employee but also supported by good management and retail organization, as Hikmah et al. (2020) and Azhmy et al. (2022) stated that individual competence and management support factors have a significant influence on employee performance, while Sitindaon (2021) also stated that competence, management support, and organizational support affect employee performance quality. Competence in this context refers to the abilities and individual characteristics in carrying out work or tasks based on knowledge, skills, and behaviors owned effectively (Tjahyanti & Chairunnisa, 2020), and according to Hikmah et al. (2020), individual competence should be understood not as an end goal but as an instrument to achieve desired objectives namely fast service delivery, customer satisfaction, and creation of positive company image. Another supporting factor for retail employee performance is management support, which is an essential strategic asset in improving employee and organizational performance from an internal perspective (Basri et al. 2023), where Mooy (2022) stated that management quality in a company

plays a crucial role in determining the success of business activity implementation, especially as seen in the performance of retail business employees, and to build good and optimal employee performance, a leader or in this case a manager must have a good relationship with employees to build comfort and a good work environment so that motivation will grow among employees to improve work quality (Hikmah et al. 2019). In the context of organizational support, Eisenberger (1986) stated that when employees feel organizational care, support, and interest, they will perform better because companies that care about their employees increase overall perception of organizational support, and based on the reciprocity principle in social exchange theory, support provided by the organization encourages employees to increase work effort as a form of return to the organization so that organizational support perceived by employees is expected to significantly improve their performance (Chen et al. 2019).

At XYZ Retail Store in Central Lampung Regency, with 294 employees or 63% of the total 463 across branches, employee performance challenges grow complex due to dense inter-branch coordination. Internal data reveals sales achievement index fluctuations throughout 2024, with some months below 80% like July-August (76.5%-73.9%), despite seasonal spikes above 100% in March-April and December (Figure 1). This phenomenon indicates reliance on external factors rather than sustainable internal HR strengths. Thus, developing individual competencies becomes an urgent need to support sales stability.

The retail industry faces fierce competition where employee service quality determines customer loyalty and market share. XYZ Retail Store, as a modern retailer offering diverse products from household needs to electronics, shows pre-survey results on 30 employees indicating average individual competency scores of 2.97-3.21 (1-4 scale), with problem-solving lowest at Bandar Jaya branch (2.7). This aligns with Hikmah et al. (2020) stating competencies as instruments for fast service and customer satisfaction. Weak management support in coordination (score 2.9) worsens performance disparities across branches. Consequently, retail organizations like XYZ risk losing competitive edge if HR support factors are not enhanced integrally.

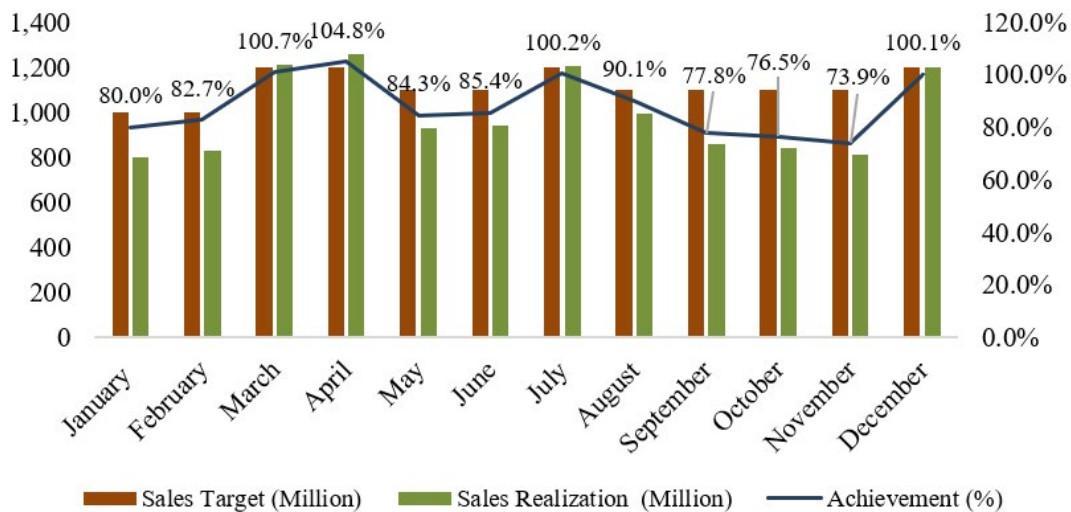


Figure 1. Sales achievement index of XYZ retail store in 2024

Investment in HR through individual competencies, management, and organizational support is key to transforming retail toward sustainable performance. This study is relevant as retail success depends on HR quality, as affirmed by Dewi et al. (2016). In Central Lampung as XYZ's operational hub, the parent Poncowati branch plays a strategic role in network-wide HR development. However, challenges like competency gaps and organizational support may hinder overall operational efficiency. Thus, this study aims to fill practical HR management gaps in regional retail for long-term growth.

Prior studies consistently show individual competency significantly affects retail employee performance, as Hikmah et al. (2020) and Azhmy et al. (2022) found positive relationships through effective communication, problem-solving, and time management dimensions. However, application in local contexts like Central Lampung remains suboptimal, with pre-surveys revealing branch inconsistencies. Sitindaon (2021) reinforces this by stating that competencies, supported by management, yield high performance quality. The research gap lies in the lack of empirical studies integrating branch-specific data to test competency effectiveness in regional supermarkets.

Management support is recognized as a strategic asset by Basri et al. (2023), particularly in building motivation via leadership and coordination, but XYZ pre-surveys show low coordination scores (2.9). Mooy (2022) emphasizes managers' role in creating comfortable work environments to boost retail performance. Previous research like Hikmah et al. (2019) shows

positive links, yet this study's novelty is testing amid digitalization and multi-branch challenges. The gap emerges as global studies rarely adapt to regional contexts with internal data like XYZ's sales index.

Organizational support, per Eisenberger's (1986) social exchange theory, fosters reciprocal work effort through perceived care. Chen et al. (2019) confirm significant performance gains, but at XYZ, reward and fairness dimensions score only 2.7-2.8. Dirgantara Prakoso and Suryanto (2022) and Ernawati and Abadi (2024) find strong influences on retail motivation, yet the gap is in lacking branch disparity analysis. This research fills the void by focusing on integrating all three factors in local retail.

This study adopts a quantitative approach using Structural Equation Modeling–Partial Least Squares (SEM-PLS) to test the influence of individual competence, management support, and organizational support on employee performance. Data analysis was conducted using SEM-PLS because this method is capable of handling complex models involving multiple latent variables, does not require strict data normality assumptions, is suitable for relatively small sample sizes, and is prediction-oriented. SEM-PLS also enables the analysis of direct, indirect, and mediating relationships among variables and is robust against multicollinearity. Therefore, this method is considered appropriate for examining the influence of individual competence, management support, and organizational support on employee performance within the context of modern retail. Primary data is gathered via questionnaires and interviews with XYZ Retail Store employees in Central

Lampung, complementing secondary data like sales indices and pre-surveys. Independent variables cover specific dimensions like effective communication and rewards, while the dependent focuses on product knowledge and discipline, limited to performance-supporting factors.

This research aims to identify demographic characteristics of XYZ Retail Store employees, analyze the influence of individual competence, management support, and organizational support on employee performance, and formulate improvement recommendations. These purposes address problem formulations from sales fluctuations and suboptimal pre-surveys. Results are expected to provide policy bases for the institution and academic reference.

METHODS

This research was conducted across all branches of XYZ Retail Store in Central Lampung Regency. Data collection was conducted from July 2025 to September 2025. This study was conducted across all branches of XYZ Retail Store in Central Lampung Regency using both primary and secondary data. Primary data were obtained through structured interviews and questionnaires distributed to employees, while secondary data were collected from literature (book and journals) and the company's portfolio.

The research population consisted of 294 employees, with samples drawn using Proportionate Random Sampling based on the Slovin formula at a 5% margin of error, yielding 170 respondents proportionally distributed across branches: Poncowati (59), Bandar Jaya (52), Merapi (30), and Punggur (29). The measurement instrument operationalized variables individual competence, managerial support, organizational support, and employee performance into indicator items measured on a 4-point Likert scale (1=Strongly Disagree to 4=Strongly Agree) to minimize neutral responses. Instrument quality was tested via validity (item-total correlation with $\text{Sig.} < 0.05$) and reliability (Cronbach's Alpha ≥ 0.60).

Data analysis employed Structural Equation Modeling-Partial Least Square (SEM-PLS) following Sarstedt et al. (2019), using a high-order construct configuration with repeated indicators and an embedded two-stage approach: Stage 1 evaluated the measurement model

at the dimension level and saved latent variable scores; Stage 2 used these scores to assess higher construct-level measurement and structural relationships. Outer model evaluation included convergent validity (Loading Factors, AVE), reliability (Cronbach's Alpha, Composite Reliability); inner model assessment covered R^2 , effect size (f^2), predictive relevance (Q^2), and path significance (T-Statistics, P-Values).

Five hypotheses were formulated based on prior empirical literature and theoretical foundations:

1. H1: Individual competence positively affects employee performance (supported by Zaim et al. 2013; Mooy, 2022);
2. H2: Managerial support positively affects employee performance (Akinseye & Mugri, 2022; Sitindaon et al. 2021);
3. H3: Organizational support positively affects employee performance (Chen et al. 2020; Eisenberger et al. 1986);
4. H4: Managerial support positively affects individual competence (Sitindaon et al. 2021; Derwik & Hellström, 2023);
5. H5: Organizational support positively affects individual competence (Rhoades & Eisenberger, 2003; Wiedemann et al. 2025).

Figure 2 illustrates the conceptual framework for evaluating the influence of individual competence, managerial support, and organizational support on employee performance in XYZ Retail Stores.

RESULTS

Demographic Characteristic

Most respondents were in the productive age group of 21-30 years (55,3%), followed by those aged 31-40 years (31,8%), while respondents aged ≤ 20 years and 41-50 years were relatively fewer. The gender composition was dominated by female employees (64,1%) compared to males (35,9%), indicating that the workforce at XYZ Retail Stores is largely comprised of women. In terms of educational attainment, the majority of respondents held a senior high school or equivalent qualification (32,9%) and a diploma degree (23,5%), while a substantial proportion had a bachelor's degree (44,1%), suggesting that the overall educational level of employees is moderately high. Length of service was dominated by respondents with 1-3 years of tenure

(51,2%), followed by ≤ 1 year (27,1%) and > 3 years (21,8%), indicating that relatively newer employees outnumber those with longer tenure. Employment status data show that most respondents were contract employees (67,6%), whereas permanent employees accounted for 32,4%. Furthermore, the majority of employees lived within a reasonably accessible distance from the workplace, with 40% residing 1-3 km and 32,9% residing 3-5 km from the store, while only 17,6% lived < 1 km and 9,4% lived > 5 km away. A detailed description of the respondents' demographic characteristics is presented in Tabel 1.

Measurement Model

In a high-order construct (HOC) model evaluated using PLS-SEM with the repeated-indicators technique and the embedded two-stage approach, the first stage (Stage 1) involves developing the repeated-indicator model and assessing the measurement model at the dimensional level (Sarstedt et al. 2019).

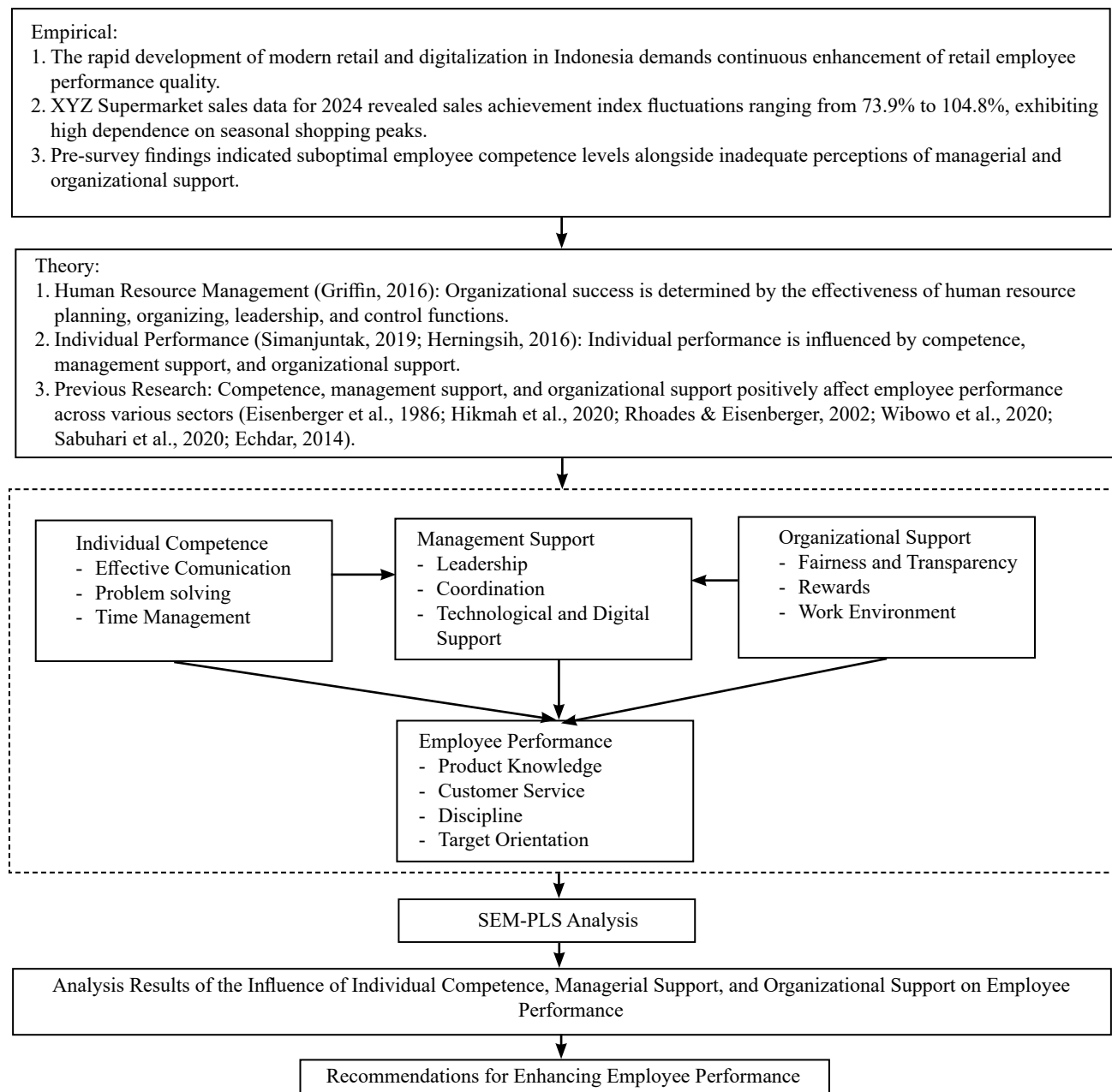


Figure 2. Research framework

Table 1. Demographic Characteristic of XYZ Retail Stores Employees

Demographic	Category	Frequency	Percentage
Age	≤20 Years	17	10
	21–30 Years	94	55.3
	31–40 Years	54	31.8
	41–50 Years	5	2.9
Gender	Male	61	35.9
	Female	109	64.1
Highest education	Senior High School	75	32.4
	Diploma	55	23.5
	Bachelor's degree (S-1)	40	44.1
Tenure	≤ 1 Year	46	27.1
	1–3 Years	87	51.2
	> 3 Years	37	21.8
Employment status	Contract employee	115	67.6
	Permanent employee	55	32.4
Distance from residence to workplace	< 1 Km	30	17.6
	1–3 Km	68	40
	3–5 Km	56	32.9
	> 5 Km	16	9.4

Stage 1

Convergent validity was assessed using outer loadings and the Average Variance Extracted (AVE) as presented in Figure 3, where indicators are considered valid when their loading values are ≥ 0.70 and AVE values are ≥ 0.50 . SmartPLS 4.1 estimation results showed all constructs with outer loading values ranging from 0.70 to 0.90 across measurement indicators, indicating strong representation for each construct. Additionally, all constructs recorded AVE values above 0.50, confirming convergent validity fulfillment. Construct reliability was evaluated through Composite Reliability (CR) ≥ 0.70 and Cronbach's Alpha ≥ 0.60 thresholds. The model exhibited strong reliability with CR and Alpha values between 0.80 and 0.90, supported by high loading values and stable indicator relationships, making all constructs suitable for structural model analysis.

Stage 2

The outer model evaluation in Stage 2 was performed using the latent variable scores obtained from Stage 1 as indicators at the variable level, as illustrated in Figure 4, applying the same validity and reliability criteria as in the preceding stage. The SmartPLS 4.1

results indicate that all indicators for the constructs of Employee Performance, Individual Competence, Management Support, and Organizational Support exhibit high outer loading values ranging from 0.77 to 0.90. These values satisfy the requirements for convergent validity and demonstrate strong indicator representation of their respective constructs. The consistently high loading values further indicate that the Average Variance Extracted (AVE) for each construct exceeds the threshold of 0.50. Additionally, this robust loading pattern suggests that the Composite Reliability (CR) and Cronbach's Alpha values for all constructs fall within the high reliability range of approximately 0.80 to 0.90, confirming strong internal consistency. Therefore, all constructs in Stage 2 are considered valid and reliable and are appropriate for further analysis in the structural (inner) model.

Structural Model

Testing of the structural model aims to analyze the relationships among constructs within the structural framework, including assessing the strength and significance of the effects of the independent variables on the dependent variable. This evaluation encompasses the assessment of R^2 , predictive relevance (Q^2), and effect size (f^2).

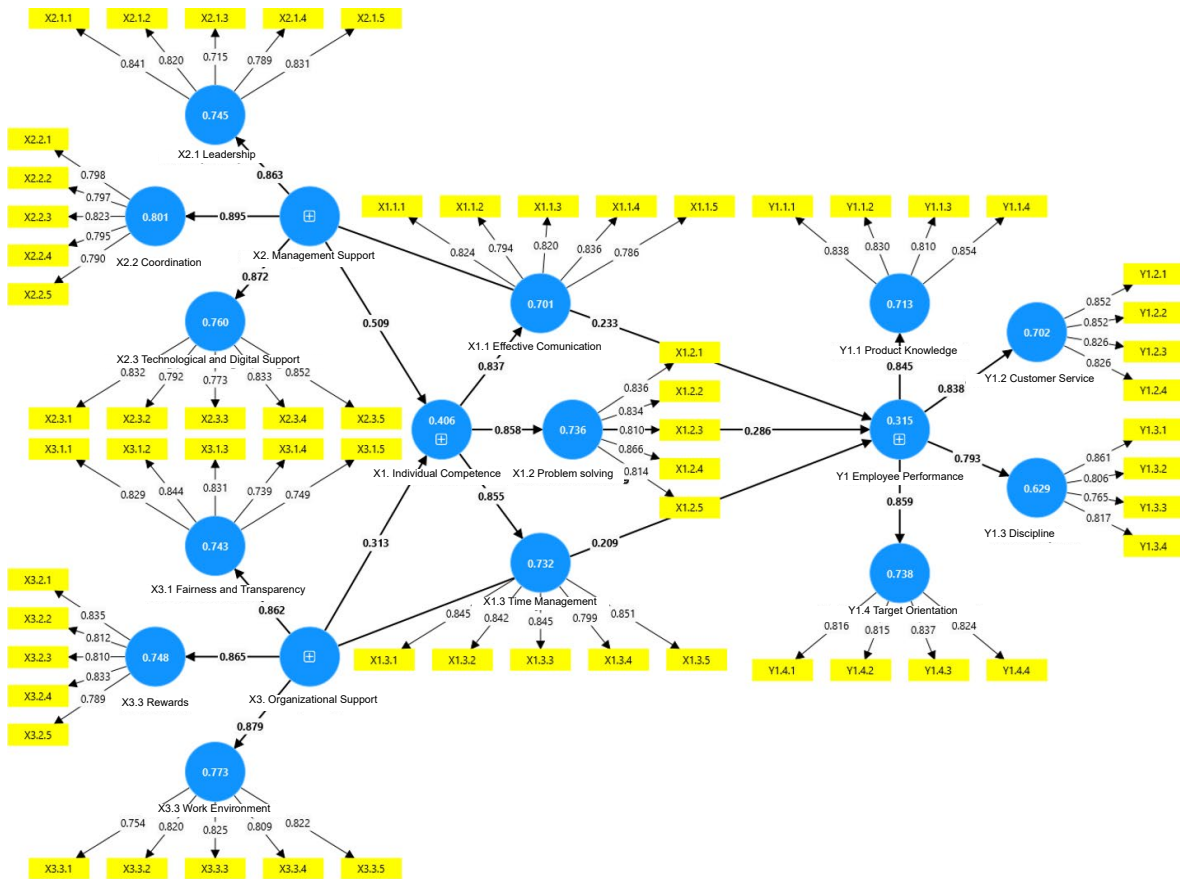


Figure 3. Measurement model stage 1

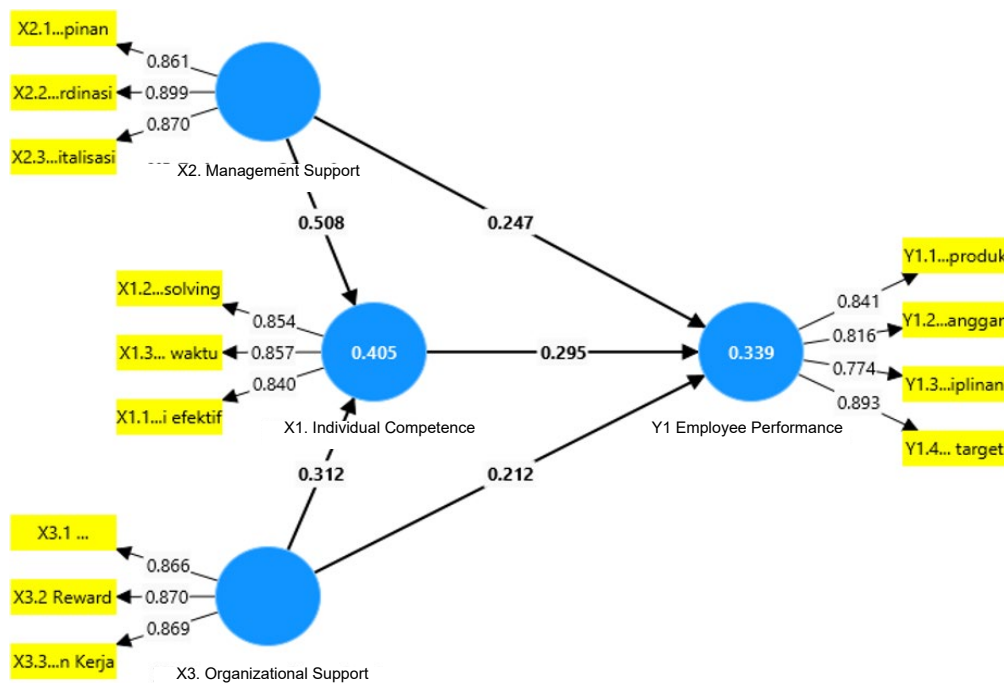


Figure 4. Measurement model stage 2

Table 2 reports the coefficients of determination used to assess prediction accuracy. In general, an R^2 value of 0,75 is regarded as indicating substantial predictive accuracy, an R^2 of 0,50 as moderate, and an R^2 of 0,25 as weak (Hair et al. 2021). The R^2 value for Individual Competence (X1) is 0,405, meaning that Managerial Support (X2) and Organizational Support (X3) jointly explain 40,5% of the variance in Individual Competence, while the remaining 59,5% is influenced by other factors outside the model. Meanwhile, the R^2 value for Employee Performance (Y1) is 0,339, indicating that Individual Competence (X1), Managerial Support (X2), and Organizational Support (X3) together account for 33,9% of the variance in Employee Performance, with the remaining 66,1% explained by variables not included in the research model. For researchers, this medium R^2 value indicates that the model is sufficiently informative yet still open to further refinement, for example by incorporating mediating or moderating variables to obtain a more comprehensive understanding of the determinants of employee performance.

The Q^2 values in Table 3 indicate that the proposed model exhibits adequate predictive relevance for both endogenous variables. The construct Individual Competence (X1) records a Q^2 value of 0,272, and

Employee Performance (Y1) records a Q^2 value of 0,208, both of which fall into the medium predictive relevance category according to Hair et al. (2021). This implies that the combination of Individual Competence (X1), Managerial Support (X2), and Organizational Support (X3) not only exerts statistically significant effects but also provides a reasonable level of predictive power for employees' competence and performance, although there remains scope to enhance the model's predictive capability by incorporating additional relevant variables.

The effect size (f^2) results in Table 4 indicate that the impact of Managerial Support (X2) on Individual Competence (X1) falls into the large category, while the effect of Organizational Support (X3) on Individual Competence (X1) is medium, suggesting that both are the primary contributors to employees' competence development. In contrast, the effects of Individual Competence (X1), Managerial Support (X2), and Organizational Support (X3) on Employee Performance (Y1) each exhibit small f^2 values, which indicates that the direct effects of these three variables on performance are relatively limited and are likely to become more substantial when mediated through enhanced competence.

Table 2. Coefficient of determination (R^2)

Latent Variable	R^2	Adjusted R^2	Interpretation
Individual Competence (X1)	0.405	0.398	Moderate
Employee Performance (Y1)	0.339	0.327	Moderate

Table 3. Predictive relevance (Q^2)

Latent Variable	SSO	SSE	$Q^2 (=1-SSE/SSO)$	Interpretation
Individual Competence (X1)	510	371.354	0.272	Moderate
Managerial Support (X2)	510	510	0.000	None
Organizational Support (X3)	510	510	0.000	None
Employee Performance (Y1)	680	538.365	0.208	Moderate

Table 4. Effect size (f^2)

Structural Path	f^2	Interpretation
Individual Competence (X1) → Employee Performance (Y1)	0.078	Small
Managerial Support (X2) → Individual Competence (X1)	0.423	Large
Managerial Support (X2) → Employee Performance (Y1)	0.063	Small
Organizational Support (X3) → Individual Competence (X1)	0.159	Moderate
Organizational Support (X3) → Employee Performance (Y1)	0.057	Small

The Goodness of Fit (GoF) index (Table 5) was employed to assess the overall adequacy of the PLS-SEM structural model by computing the geometric mean of the average AVE and the average R^2 , with thresholds for small, medium, and large GoF set at 0.10, 0.25, and 0.36, respectively, as suggested by Cohen (1988). Using an average AVE of 0.735 and an average R^2 of 0.372, the GoF value for this study is 0.523 (52.3%), which falls into the high category. This result indicates that the combined quality of the measurement model and the explanatory power of the structural model is highly satisfactory, thereby confirming that the proposed model is appropriate for further analysis and for deriving theoretical and practical implications.

Hypothesis Testing

Hypothesis testing was conducted using a one-tailed significance approach with a confidence level of 95% ($\alpha = 0.05$). A hypothesis is accepted if the t-statistic value is equal to or greater than 1.64 and p-value ≤ 0.05 , following the guidelines of Kock (2016) and Kock and Hadaya (2018). The results of the bootstrapping procedure are presented in Table 6.

Hypothesis testing results indicate that Individual Competency positively and significantly influences Employee Performance ($\beta = 0.295$, $p = 0.003$), thus accepting H1. Management Support positively and significantly affects Employee Performance ($\beta = 0.247$, $p = 0.002$), thus accepting H2. Organizational Support positively and significantly impacts Employee Performance ($\beta = 0.212$, $p = 0.006$), thus accepting H3. Management Support positively and significantly influences Individual Competency ($\beta = 0.508$, $p = 0.000$), thus accepting H4. Organizational Support positively and significantly affects Individual Competency ($\beta = 0.312$, $p = 0.000$), thus accepting H5. The results indicate that all proposed hypotheses are statistically supported. Individual competence, managerial support, and organizational support each demonstrate a positive and significant effect on employee performance. Furthermore, both managerial support and organizational support significantly influence individual competence. These findings reinforce the theoretical assumption that employee performance is not only shaped by personal knowledge and skill sets, but also by contextual workplace factors such as managerial practices and organizational systems that provide resources, guidance, recognition, and fairness. The empirical evidence confirms the

relevance of Human Capital and Organizational Support Theory in explaining performance variations within modern organizational settings.

Effect of Individual Competence on Employee Performance

Individual competencies exert a positive and significant influence on employee performance at XYZ Retail Store, as demonstrated by the effective application of skills in daily operations, such as agile and communicative cashiers who manage long queues efficiently, and independent merchandisers who arrange product displays without direct supervision from superiors. These behaviors reflect initiative, responsibility, and independent thinking that collectively enhance overall retail performance (Ramadhi et al. 2023). In contrast, low competencies lead to operational bottlenecks, such as empty shelves resulting from miscommunication, which negatively affect sales and customer satisfaction, thereby necessitating targeted training and managerial support to address competency imbalances (Tallo & FoEh, 2025). These findings align with prior research by Sharma et al. (2000), who established a link between knowledge-based competencies and retail sales performance; Lucia-Palacios et al. (2020), who emphasized frontline competencies for superior service outcomes; and Guridno and Efendi (2020), who empirically demonstrated the partial and simultaneous positive effects of competencies on retail employee performance.

Among the dimensions of individual competencies (X1), problem-solving ability emerges as the most dominant factor, enabling employees to engage in critical and solution-oriented thinking to address operational challenges, thereby yielding stable, efficient, and productive performance compared to those with low adaptability. For instance, warehouse employees at XYZ Retail Store confronted with inventory system failures promptly conducted manual physical stock checks and prioritized restocking, ensuring seamless operations without disrupting customer service. Consequently, this study reinforces the strategic role of individual competencies as a key performance driver, recommending that management prioritize focused training on problem-solving skills to achieve competitive advantage, convert individual potential into sustainable performance, and mitigate competency disparities among employees amid intensifying daily efficiency demands in the supermarket sector.

Table 5. Goodness of Fit

Average AVE	Average R ²	Gof Value	Category
0.735	0.372	0.523	High

Table 6. Hypothesis testing results: individual competence, managerial support, and organizational support on employee performance at XYZ retail store

Hypothesis	Relationship Tested	Path Coefficient	T-Statistic	p-Value	Result
H1	Individual competence on employee performance	0.295	3.015	0.003	Supported
H2	Managerial support on employee performance	0.247	3.049	0.002	Supported
H3	Organizational support on employee performance	0.212	2.766	0.006	Supported
H4	Managerial support on individual competence	0.508	6.922	0.000	Supported
H5	Organizational support on individual competence	0.312	4.181	0.000	Supported

Effect of Managerial Support on Employee Performance

Management support significantly and positively influences employee performance at XYZ Retail Store, as evidenced by clear directives, measured task assignments, and routine instructions that enhance employee focus and target comprehension. Conversely, inadequate support, such as the absence of daily briefings, leads to unresponsiveness toward customers and operational instability (Agirre-Aramburu et al. 2023). For instance, during distribution issues with fresh products due to supplier delays, management swiftly formed a coordination team involving the warehouse head, procurement, and merchandisers to conduct stock checks, rearrange shelves, and communicate online with suppliers, thereby providing customer alternatives and maintaining stable sales. These findings align with Almatrooshi et al. (2016), who assert that management support boosts motivation through resources, communication, and effective leadership, as well as Sitindaon et al. (2021), who empirically demonstrate its significant impact on employee performance.

The most dominant dimension of management support is coordination, which ensures synchronization across departments such as warehousing, cashiering, and merchandising, thereby preventing task overlaps and clarifying role understanding to achieve sales targets and service quality (Zalogo et al. 2019). For example, during weekend customer surges, the manager arranged cashier and merchandiser schedule rotations, rapid warehouse restocking, and real-time communication via internal groups, resulting in smooth service without long queues or stock shortages and reinforcing the store's

professional image. Ismail et al. (2021) emphasize that such support enhances employee engagement in improvement suggestions, while Hussain and Das (2015) view it as systematic performance evaluation; in retail contexts, its effectiveness is optimized when integrated with adaptive leadership, team coordination, and digital technology support to improve productivity and market responsiveness (Al Issa & Omar, 2024; Li et al. 2024; Qiao et al. 2024).

Effect of Organizational Support on Employee Performance

Organizational support significantly and positively influences employee performance at XYZ Retail Store, as evidenced by the quarterly and annual reward policies that provide additional incentives for high-performing employees. Initially, these policies sparked dissatisfaction due to opaque evaluation criteria perceived as favoring those close to supervisors, which subsequently diminished work motivation until management revised the system to ensure fairness acceptable to all employees, thereby restoring productivity. Higher levels of support through facilities, policies, and welfare attention correlate with enhanced performance; this finding aligns with Eisenberger et al. (2001), who assert that organizational support fosters affective commitment and positive performance, Eisenberger and Stinglhamber (2011), who emphasize that feeling valued boosts motivation, and Alniaçik et al. (2013), who demonstrate its significant impact on work behaviors and performance in the retail sector. Interviews at the Merapi branch revealed complaints about cramped warehouse facilities impairing work focus, but following reports to management and

planned improvements, a positive work environment is anticipated to elevate customer service and sales.

Among the dimensions of organizational support, the reward dimension exhibits the highest outer loading compared to fairness/transparency and work environment, positioning it as the most dominant factor shaping employee perceptions. Concrete rewards, such as bonuses for high discipline, are perceived as the most tangible, directly enhancing motivation, loyalty, and performance at XYZ Retail Store. The acceptance of this hypothesis underscores organizational support as a critical driver of retail performance, with practical implications for XYZ Retail Store to strengthen systems like adequate facilities and employee-centric policies, thereby boosting productivity, loyalty, and competitiveness in the dynamic retail industry.

Effect of Managerial Support on Individual Competence

Management support positively and significantly influences individual competencies among employees at XYZ Retail Store, evident from the provision of constructive feedback and two-way communication through end-of-month evaluation meetings. During these meetings, employees voice their challenges and receive direct guidance on solutions, thereby enhancing technical competencies, self-confidence, sense of company ownership, and customer service quality. This finding aligns with Sitindaon et al. (2021), who assert that management support boosts employee competencies through leadership guidance and motivation for optimal performance, as well as Kurtessis et al. (2017), who explain that organizational and management support strengthens work abilities and skills.

The coordination dimension emerges as the most influential aspect of management support, particularly in the logistics section of XYZ Retail Store, where a digital coordination system based on an internal application significantly improves restocking speed. This system enables real-time monitoring by warehouse staff, cashiers, and merchandisers, with supervisors orchestrating task responsibilities and role clarity, thus reducing display rack delays, stock errors, and elevating employees' digital operational competencies, although the program is still being rolled out across all branches. Consequently, management support tangibly enhances individual competencies; stronger supportive

leadership, effective coordination, and digital technology investments lead to higher individual work effectiveness, underscoring the need for reinforced rewards, fair communication, and digitalization to foster employee competency development.

Effect of Organizational Support on Individual Competence

Organizational support positively and significantly influences individual competencies of employees at XYZ Retail Store, with dimensions of fairness and transparency, reward provision, and a conducive work environment strengthening competencies through enhanced self-confidence, loyalty, skill development motivation, as well as a learning and innovation climate. For instance, routine training and mentoring programs for new employees involve supervision by senior staff under store leadership oversight, which not only improves technical abilities but also fosters self-confidence and adaptability to retail job dynamics. This aligns with findings by Wahdiniawati et al. (2024), who demonstrated that compensation, organizational culture, and rewards positively affect retail employee productivity in Indonesia through motivation and competency formation, as well as Wahyudi et al. (2024), who affirmed that HR competencies and organizational culture, supported by technology, enhance individual capabilities and performance.

Thus, organizational support proves to be a strategic pillar in bolstering individual competencies among XYZ Retail Store employees, not only elevating daily operational adaptability and self-confidence but also maximizing sustainable productivity. Management is therefore recommended to institutionalize these practices as permanent policies to sustain competitive advantage in the retail sector.

Managerial Implications

The managerial implications of this research indicate that enhancing employee performance at XYZ Retail Store requires integrated strengthening of individual competencies, managerial support, and organizational support. Management should design structured training programs focusing on effective communication, problem-solving, and time management, accompanied by continuous mentoring and a minimum frequency of twice annually to enable employees to adapt to dynamic work demands. The role of store managers

and direct supervisors must be optimized through capacity building, monitoring, and routine feedback provision, supported by cross-functional coordination via regular meetings and digitalization utilization to accelerate workflows and reduce human errors. On the organizational side, creating a fair, transparent, and supportive work environment should be realized through objective performance-based evaluation and reward systems, timely wage and incentive payments, adequate work facilities provision, and internal communication channels that allow employees to directly convey ideas or complaints.

Operationally, performance improvement can be achieved through practical product knowledge training in sales areas, customer service training followed by customer feedback-based evaluations, and discipline reinforcement via clear work rules, digital attendance systems, and consistent shift management. Management also needs to establish realistic sales and service targets, allocate tasks proportionally according to employee capacity, and conduct brief weekly meetings at the start of the week to align understanding of targets and transparently monitor achievements. The combination of ongoing training programs, technology-based leadership and coordination strengthening, and consistent reward and work discipline systems is expected to build a strong work ethic, boost employee confidence and loyalty, and ultimately enhance XYZ Retail Store's competitiveness in the modern retail market.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

The research findings indicate that employees of XYZ Retail Store in Central Lampung are predominantly aged 18–25 years, male, high school graduates, with tenure less than one year, holding contract status, and residing less than 5 km from their workplace. This profile characterizes a young and high-potential workforce. However, it necessitates retention strategies to mitigate turnover among new employees. Such demographic patterns highlight the importance of targeted development programs to sustain workforce stability. Consequently, organizations must prioritize onboarding and engagement initiatives tailored to early-career workers.

SEM-PLS analysis confirms that individual competency, management support, and organizational support exert positive and significant effects on employee performance, with path coefficients of 0.295, 0.247, and 0.212, respectively, and an R^2 value for performance of 0.339. Additionally, management support and organizational support demonstrate strong positive influences on individual competency (path coefficients of 0.508 and 0.312; R^2 for competency of 0.405). These results elucidate that the sales achievement fluctuations observed in 2024 stem from suboptimal reinforcement of internal human resource factors. The explained variance underscores the integrated role of these predictors in driving consistent performance outcomes. Thus, empirical validation supports theoretical models linking support mechanisms to competency and performance in retail settings.

Strategic recommendations emphasize the implementation of periodic training programs focusing on effective communication, problem-solving, and time management; enhancement of inter-branch coordination through digital platforms; adoption of transparent performance-based reward systems; and improvements in workplace facilities. These measures aim to stabilize key performance indicators such as product knowledge and customer service. Ultimately, such interventions will enable consistent sales target achievement beyond seasonal peaks. Targeted actions address identified gaps from pre-surveys and modeling results. Long-term application promises enhanced operational resilience in modern retail contexts.

Recommendations

Academically, future research is recommended to expand the model by incorporating mediating variables such as work motivation or conducting longitudinal studies across other modern retail settings to test the generalizability of findings. Practically, for XYZ Supermarket, management should prioritize biannual intensive training for new employees, implement real-time inter-branch coordination applications, revise reward schemes with concrete targets such as 20% up-selling, and conduct monthly performance evaluations based on two-way feedback to ensure sustainable improvements.

FUNDING STATEMENT: This research did not receive any specific grant from public, commercial, or not-for-profit funding agencies.

CONFLICTS OF INTEREST: The author declares no conflict of interest.

DECLARATION OF GENERATIVE AI STATEMENT: During the preparation of this work the authors used ChatGPT in order to check grammar and polish text. After using this tool/service, the authors reviewed and edited the content as needed and take(s) full responsibility for the content of the publication.

REFERENCES

- Agirre-Aramburu I, Blázquez-Díaz T, Freundlich F. 2023. Managers' assessment of organizational performance. The role of perceived organizational commitment and HPWS in different ownership contexts. *Cogent Business and Management*. 10(3):1–31. <https://doi.org/10.1080/23311975.2023.2264002>.
- Akinseye, M. A., & Mugri, R. M. (2022). The effect of management support in training on employee performance in the Nigerian banking industry. *LWATI: A Journal of Contemporary Research*, 19(2), 2–30.
- Al Issa, H. E., & Omar, M. M. S. (2024). Digital innovation drivers in retail banking: The role of leadership, culture, and technostress inhibitors. *International Journal of Organizational Analysis*, 32(11), 19–43. <https://doi.org/10.1108/IJOA-08-2023-3905>
- Almatrooshi, B., Singh, S. K., & Farouk, S. (2016). Determinants of organizational performance: A proposed framework. *International Journal of Productivity and Performance Management*, 65(6), 844–859. <https://doi.org/10.1108/IJPPM-02-2016-0038>
- Alniaçik, E., Alniaçik, Ü., Erat, S., & Akçin, K. (2013). Does person-organization fit moderate the effects of affective commitment and job satisfaction on turnover intentions? *Procedia - Social and Behavioral Sciences*, 99, 274–281. <https://doi.org/10.1016/j.sbspro.2013.10.495>
- Azhmy, M. F., Pitono, & Sakila, F. T. (2022). Dampak dukungan manajemen puncak, motivasi dan teknologi informasi terhadap kinerja karyawan OS (Outsourcing) PT PLN (Persero) ULP (Unit Pelayanan Pelanggan) Medan Selatan. Seminar Nasional Sains, Humaniora dan Teknologi (SENASHTEK), 1–9.
- Basri, M., Arsal, R., & Rahman. (2023). Pengaruh budaya organisasi dan dukungan manajemen puncak terhadap kinerja pegawai pemerintah Provinsi Sulawesi Tenggara. *Journal Publicuho*, 6(2), 602–614. <https://doi.org/10.35817/publicuho.v6i2.193>
- Chen, T., Hao, S., Ding, K., Feng, X., Li, G., & Liang, X. (2020). The impact of organizational support on employee performance. *Employee Relations*, 42(1), 166–179. <https://doi.org/10.1108/ER-01-2019-0079>
- Dewi, A. A. D. P., Sudipta, I. G. K., & Setyowati, D. S. (2016). Analisis aspek sumber daya manusia terhadap kinerja pada proyek konstruksi di Kabupaten Badung. *Jurnal Ilmiah Teknik Sipil*, 20(2), 103–109. <https://doi.org/10.24843/JITS.2016.v20.i02.p05>
- Dirgantara, P. S., & Suryanto, W. (2022). The influence of perceived organizational support on innovative behavior with organizational commitment as a mediating variable on employees of PT. Lay Brothers. *Airlangga Development Journal*, 6(1), 48–56. <https://doi.org/10.20473/adj.v6i1.36991>
- Eisenberger, R., & Stinglhamber, F. (2011). Perceived organizational support: Fostering enthusiastic and productive employees. *American Psychological Association*. <https://doi.org/10.1037/12318-000>
- Eisenberger R, Armeli S, Rexwinkel B, Lynch PD, Rhoades L. 2001. Reciprocation of perceived organizational support. *Journal of Applied Psychology*. 86(1):42–51. <https://doi.org/10.1037/0021-9010.86.1.42>.
- Eisenberger, R., Huntington, R., Hutchison, S., & Sowa, D. (1986). Perceived organizational support. *Journal of Applied Psychology*, 71(3), 500–507. <https://doi.org/10.1037/0021-9010.71.3.500>
- Ernawati N, Abadi F. 2024. Analysis of the effect of job satisfaction, organizational supports, and leadership style on work motivation in improving employee performance. *Eduvest-Journal of Universal Studies*. 4(4):1805–1814. <https://doi.org/10.59188/eduvest.v4i4.1115>.
- Griffin RW. 2016. *Fundamentals of Management*. 8th ed.. Boston (MA): Cengage Learning.
- Guridno E, Efendi S. 2020. Performance analysis in the management of retail business organizations. *Psychol Educ*. 57(9):1812–1817. <https://doi.org/10.17762/pae.v57i9.534>.
- Hair JF, Hult GTM, Ringle CM, Sarstedt M, Danks NP, Ray S. 2021. *Partial Least Squares Structural Equation Modeling (PLS-SEM)*

- Using R: a Workbook*. Springer. <https://doi.org/10.1007/978-3-030-80519-7>.
- Herningsih. 2016. *Kinerja Dosen dan Karyawan: Pendekatan Riset Ditinjau Dari Dimensi Kepemimpinan, Budaya dan Lingkungan Organisasi*. Malang: Media Nusa Creative.
- Hikmah J, Riono SB, Syaifulloh M, Khojin N, Aisyah N. 2019. Pengaruh faktor kompetensi individu, faktor dukungan organisasi, faktor dukungan manajemen terhadap kinerja pegawai. *JECMA*. 1(1):53–65.
- Hussain A, Das L. 2015. Employee Performance Appraisal: Key to Success for Organizational Growth. *IJAEMS*. 1(4):39-43.
- Ismail AI, Majid AHA, Jibrin-Bida M, Joarder MHR. 2019. Moderating effect of management support on the relationship between hr practices and employee performance in Nigeria. *Global Business Review*. 22(1):1-19. <https://doi.org/10.1177/0972150918811487>.
- Kock N. 2016. Hypothesis testing with confidence intervals and P values in PLS-SEM. *International Journal of e-Collaboration*. 2(3):1-6. <https://doi.org/10.4018/IJeC.2016070101>.
- Kock, N., & Hadaya, P. (2018). Minimum sample size estimation in PLS-SEM: The inverse square root and gamma-exponential methods. *Information Systems Journal*, 28(1), 227–261. <https://doi.org/10.1111/isj.12131>
- Kurtessis, J. N., Eisenberger, R., Ford, M. T., Buffardi, L. C., Stewart, K. A., & Adis, C. S. (2017). Perceived organizational support: A meta-analytic evaluation of organizational support theory. *Journal of Management*, 43(6), 1854–1884. <https://doi.org/10.1177/0149206315575554>
- Li, Z., Yang, C., Yang, Z., & Zhao, Y. (2024). The impact of middle managers' digital leadership on employee work engagement. *Frontiers in Psychology*, 15, Article 1368442. <https://doi.org/10.3389/fpsyg.2024.1368442>
- Lucia-Palacios L, Pérez-López R, Polo-Redondo Y. 2020. How situational circumstances modify the effects of frontline employees' competences on customer satisfaction with the store. *Journal of Retailing and Consumer Services*. 52:1-11. <https://doi.org/10.1016/j.jretconser.2019.101905>.
- Mooy D. 2022. Pengaruh kompetensi individu, disiplin dan dukungan manajemen terhadap kinerja karyawan Hotel Pelangi Kota Kupang dengan motivasi kerja sebagai variabel mediasi. *JBM*. 7(1):1–14. <https://doi.org/10.32511/bisman.v2i2.56>.
- Qiao G, Li Y, Hong A. 2024. The strategic role of digital transformation: leveraging digital leadership to enhance employee performance and organizational commitment in the digital era. *systems*. 12(11):1–17. <https://doi.org/10.3390/systems12110457>.
- Ramadhi, Damayanti N, Andrefson E, Sarianti K, Desti Y, Rosalina D. 2023. Peningkatan technical skill, pengembangan SDM dan problem solving pada Toko SS. *Cakrawala: Jurnal Pengabdian Masyarakat Global*. 2(4):352–361. <https://doi.org/10.30640/cakrawala.v2i4.1785>.
- Rhoades L, Eisenberger R. 2002. Perceived organizational support: A review of the literature. *Journal of Applied Psychology*. 87(4):698–714. <https://doi.org/10.1037/0021-9010.87.4.698>.
- Rizqiawan H, Novianto I. 2021. Pengembangan indikator-indikator internal marketing yang diharapkan internal customer bisnis ritel modern di Kota Surabaya. *Jurnal Daya Saing*. 7(2):132–143. <https://doi.org/10.35446/dayasaing.v7i2.631>.
- Sarstedt M, Hair Jr JF, Cheah JH, Becker JM, Ringle CM. 2019. How to specify, estimate, and validate higher-order constructs in PLS-SEM. *Australasian Marketing Journal*. 27(3):197–211. <https://doi.org/10.1016/j.ausmj.2019.05.003>.
- Sharma A, Levy M, Kumar A. 2000. Knowledge structures and retail sales performance: an empirical examination. *Journal of Retailing*. 76(1):53–69. [https://doi.org/10.1016/S0022-4359\(99\)00023-8](https://doi.org/10.1016/S0022-4359(99)00023-8).
- Simanjuntak PJ. 2019. *Manajemen dan Evaluasi Kinerja*. Jakarta: UI Publishing.
- Sitindaon M, Winoto Tj H, Tecoalu M. 2021. The influence of organizational support and management of employee performance marketing in mediation by competence. *IJSTM*. <https://doi.org/10.46729/ijstm.v2i1.102>.
- Tallo MA, FoEh JE. 2025. Pengaruh kompetensi manajerial, kesenjangan kompetensi, dan pengalaman pelatihan terhadap kinerja pegawai dengan motivasi sebagai variabel mediasi: Sebuah kajian pustaka. *Jurnal Kajian Ilmiah*. 25(2), 1410–9794 <https://doi.org/10.31599/wcj2rs65>.
- Wahdiniawati SA et al. 2024. The effect of compensation, organizational culture, and rewards on employee productivity in retail companies in indonesia.

- West Science Business and Management*, 2(03), 936–945. <https://doi.org/10.58812/wsbm.v2i03.1273>.
- Wahyudi A, Hidayati T, Zainurossalamia ZA S. 2024. The influence of HR competence and organizational culture on performance through the use of information technology. *Jurnal Social Sciences*, 20(1), 1–12. <https://doi.org/10.21831/jss.v20i1.64088>
- Wibowo W et al. 2020. Analisis kompetensi individu, dukungan organisasi dan dukungan manajemen terhadap kinerja pegawai di Grand Dian Hotel Brebes. *Syntax Literate: Jurnal Ilmiah Indonesia*. 5(12), 1754–1766. <https://doi.org/10.36418/syntax-literate.v5i12.1851>.
- Wiedemann K, Lohstöter AE, Lienbacher E, Zniva R. 2025. Competencies of future-capable employees in digitalized stationary retail. *Form@ re-Open Journal per la formazione in rete*. 25(1), 9-20. <https://doi.org/10.36253/form-17037>.
- Zaim H, Yaşar MF, Ünal ÖF. 2013. Analyzing the effects of individual competencies on performance: A field study in services industries in Turkey. *Journal of Global Strategic Management*, 2(7), 67–77. <https://doi.org/10.20460/jgsm.2013715668>
- Zalogo EF, Bu'ulolo P, Halawa E. 2019. Pengaruh semangat kerja dan koordinasi kerja terhadap kinerja pegawai kantor camat Gomo Kabupaten Nias Selatan. *Jurnal Ekonomi dan Bisnis Nias Selatan*, 3(2), 32–42.