

SYSTEMATIC LITERATURE REVIEW: DETERMINANTS OF EMPLOYEE PERFORMANCE IN SOUTHEAST ASIA FROM A THEORY OF PERFORMANCE (TOP) PERSPECTIVE

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Received : 01 October 2025

Published : 21 December 2025

Revised : 15 October 2025

DOI : <https://doi.org/10.54443/ijset.v5i1.1486>

Accepted : 30 November 2025

Link Publish : <https://www.ijset.org/index.php/ijset/index>

Abstract

Employee performance is a key driver of organizational effectiveness in Southeast Asia, a region marked by rapid economic change and diverse institutional contexts. Although numerous empirical studies have examined performance determinants in this region, existing findings remain fragmented and lack integration within a comprehensive theoretical framework. This study addresses this gap through a Systematic Literature Review (SLR) grounded in the Theory of Performance (ToP). Following PRISMA 2020 guidelines, ten Q1–Q3 empirical articles published between 2015 and 2025 from Vietnam, Indonesia, Malaysia, and Thailand were systematically analyzed. The synthesis indicates that organizational context—particularly high-performance work systems, strategic human resource practices, and talent management—serves as the primary foundation of employee performance. Internal states, especially employee engagement, consistently function as the central mechanism translating contextual support into performance outcomes, including task performance and innovative behavior. Individual capability contributes to performance but operates optimally only when supported by favorable contexts and psychological conditions. Cross-country analysis further reveals contextual variation, with commitment and job satisfaction dominating bureaucratic settings, while engagement and proactive behaviors are more salient in adaptive, knowledge-intensive sectors. This review provides the first integrative ToP-based synthesis of employee performance in Southeast Asia and offers implications for context-sensitive human resource strategies.

Keywords: *Employee Performance; Theory of Performance; Systematic Literature Review; Southeast Asia; Human Resource Management.*

INTRODUCTION

Employee performance is widely acknowledged as a critical driver of organizational effectiveness, particularly within the domain of human resource management (HRM). Enhancing employees' contributions is a central objective of HRM, as individual performance improvements are closely linked to organizational productivity and sustainability (Aprilia & Nururly, 2023; Baloch et al., 2022). In increasingly competitive business environments, understanding how employee performance is formed and sustained has therefore become a key concern for both scholars and practitioners. This issue is especially salient in Southeast Asia, a region characterized by rapid economic transformation, pronounced cultural diversity, and distinctive labor market conditions. These contextual features shape organizational practices and employee behavior in ways that may differ from those observed in Western or more homogeneous settings (Yudhoyono et al., 2024). In response, empirical research on employee performance in Southeast Asia has expanded substantially over the past decade, generating a growing body of evidence on factors influencing performance at the individual, organizational, and contextual levels (Yildiz et al., 2021). Despite this progress, the current state of the literature remains fragmented. Many studies examine performance determinants—such as competencies, HRM practices, or work motivation—in isolation, relying on partial theoretical frameworks that capture only selected aspects of a complex phenomenon. For instance, work motivation is frequently highlighted

as a key driver of performance because it energizes employees to perform their tasks with commitment and responsibility (Nurkiswutun et al., 2023). However, its interaction with individual capabilities and organizational context is often underexplored, resulting in findings that are difficult to integrate into a coherent explanation of how performance emerges. This fragmentation reflects a broader theoretical limitation in the field. While numerous empirical studies implicitly address elements related to capability, internal effort, and organizational context, few offer an integrative perspective that explains how these elements interact dynamically. As a result, existing research provides valuable but scattered insights, limiting its ability to inform cumulative theory development and context-sensitive managerial practice, particularly in regions with complex institutional environments such as Southeast Asia.

The Theory of Performance (ToP) offers a comprehensive framework that addresses these shortcomings by conceptualizing performance as the outcome of interactions among three interdependent components: individual capabilities, internal conditions or effort (including motivation), and the organizational context that enables or constrains performance (Elger, 2007; Saidin et al., 2024). Although many Southeast Asian studies examine variables aligned with these components, ToP has rarely been adopted explicitly as a guiding theoretical lens. This omission creates a clear research gap: the lack of an integrative synthesis that systematically organizes existing empirical evidence within a unified performance framework tailored to the Southeast Asian context.

Against this backdrop, this study advances the field by conducting a systematic literature review that explicitly applies the Theory of Performance to reinterpret empirical findings on employee performance in Southeast Asia. By mapping evidence from ten leading empirical studies (Q1–Q3) onto the triadic structure of ToP, this review moves beyond descriptive aggregation and offers a conceptual reconstruction of how performance determinants interact. The novelty of this work lies in its integrative approach, which reveals dominant patterns, neglected dimensions, and structural imbalances in the existing literature that have remained obscured due to theoretical fragmentation. The main aim of this review is to develop a coherent and context-sensitive understanding of employee performance formation in Southeast Asia through the lens of the Theory of Performance. The principal outcome of this study is an integrative conceptual synthesis that clarifies the dynamic interplay among capabilities, internal conditions such as motivation, and organizational context, thereby providing a more robust foundation for future research and practical interventions in human resource management.

LITERATURE REVIEW

Theoretical Foundation: The Theory of Performance (ToP)

The Theory of Performance (ToP) constitutes a foundational framework within the study of organizational behavior (Elger, 2007). This theory posits that individual performance emerges from the dynamic interaction of three core components: capabilities, organizational context, and internal conditions or effort. A central premise of ToP is that deficiencies in any one component constrain the effectiveness of the others, implying that optimal performance can only be achieved when all three elements function in alignment. The capability component encompasses the skills, knowledge, and both innate and acquired abilities that enable individuals to carry out tasks effectively (Sabuhari et al., 2020). Organizational context refers to the environment in which individuals perform their work, including human resource management practices, organizational culture, work structures, and leadership styles that may either facilitate or hinder performance (Pham-Thai et al., 2023). Internal conditions or effort relate to psychological and motivational states—such as engagement, commitment, and job satisfaction—that shape the level of energy, persistence, and quality of individual action (Supatn & Puapradit, 2019). Collectively, this theoretical foundation provides a comprehensive and integrative framework that aligns directly with the objective of this study to examine the determinants of employee performance holistically.

Empirical Relevance in Southeast Asia

Empirical research on employee performance in Southeast Asia has, in effect, addressed the core components of the Theory of Performance, even though most studies do not explicitly reference this framework. A substantial body of evidence consistently highlights the importance of contextual factors. For example, High-Performance Work Systems (HPWS) and talent management practices have been shown to exert significant contextual influence on employee performance in countries such as Malaysia and Vietnam (Abdullahi et al., 2022; Pham-Thai et al., 2023). Beyond HRM practices, non-HRM factors—including career development initiatives in the Indonesian public sector (Napitupulu et al., 2017) and effective leadership styles (Siahaan, 2017) underscore the need to conceptualize organizational context as a broad and multidimensional construct. Within the internal condition dimension, employee engagement emerges consistently as a central psychological mechanism through which contextual factors are translated into performance outcomes (Ha et al., 2025). Other internal states, such as organizational commitment

(Pawirosumarto et al., 2017) and job satisfaction (Cao et al., 2025), have also been found to play a significant role in strengthening individuals' responses to their work environment. The capability dimension, often operationalized in terms of competencies, has likewise been shown to make a meaningful contribution to performance. However, empirical findings indicate that capabilities alone are insufficient to sustain high performance in the absence of supportive contextual conditions and favorable internal states (Sabuhari et al., 2020). This evidence suggests that the impact of capabilities is frequently conditional and mediated through their interaction with organizational context and internal conditions, in line with the core assumptions of the Theory of Performance. Accordingly, this systematic literature review seeks to synthesize previously fragmented empirical findings by re-mapping established evidence onto the Theory of Performance framework. Through this integrative approach, the review aims to clarify the interrelationships among capabilities, organizational context, and internal conditions in shaping employee performance within the Southeast Asian setting.

METHOD

This study adopts a Systematic Literature Review (SLR) approach, conducted in strict accordance with the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) 2020 guidelines. The SLR methodology was selected for its capacity to systematically identify, critically evaluate, and synthesize relevant empirical evidence through transparent and replicable procedures (Page et al., 2021). Literature searches were performed across four major academic databases—Scopus, Web of Science, ScienceDirect, and Google Scholar—covering publications from 2015 to 2025 to ensure that the reviewed evidence remains current and contextually relevant.

Search Strategy and Data Sources

The search strategy was developed using Boolean operators to combine keywords related to employee performance, its determinants, and the Southeast Asian context (Rajit et al., 2025). The primary search string included combinations of the following terms: “employee performance” OR “work performance” AND “determinants” OR “factors” OR “drivers” AND “Southeast Asia” OR “ASEAN” OR “Vietnam” OR “Indonesia” OR “Malaysia” OR “Thailand” OR “Philippines,” in conjunction with “human resource management,” “HRM,” “high performance work system*,” “talent management,” or “employee engagement.” This strategy was designed to capture a comprehensive yet focused body of relevant literature.

Inclusion and Exclusion Criteria

The screening process involved multiple stages to assess the relevance and quality of the identified studies. Only empirical research published in high-quality journals (Q1–Q3 according to the SCImago Journal Rank) was retained for further analysis. Eligible studies were required to focus on individual-level employee performance and to be conducted explicitly within Southeast Asian countries. In addition, the conceptual models employed in the selected studies needed to implicitly reflect at least two of the three core components of the Theory of Performance—capabilities, organizational context, and internal conditions (Elger, 2007). Conceptual papers, instrument validation studies, and research examining performance at the macro-organizational level were excluded, as they did not align with the objectives of the present synthesis.

Article Selection Process

Following the removal of duplicate records, abstract screening, and full-text assessment based on journal quality (Q1–Q3) and theoretical relevance to the components of the Theory of Performance, a total of ten empirical studies met all inclusion criteria. These studies formed the empirical foundation for the theoretical synthesis presented in the results and discussion sections.

Data Extraction and Analysis Techniques

Data from each selected article were extracted using a standardized template capturing bibliometric information, methodological approaches, key variables, principal findings, and reported limitations. The variables examined in each study were then systematically mapped onto the three components of the Theory of Performance to ensure analytical consistency. Subsequently, thematic analysis was conducted in three iterative stages. Open coding was applied to identify all relevant variables and concepts across the studies. Axial coding was used to organize these concepts into the three core clusters of capabilities, organizational context, and internal conditions.

Finally, selective coding integrated these clusters into coherent theoretical patterns, while highlighting contextual dynamics that are distinctive to the Southeast Asian work environment.

This multi-layered analytical approach enabled the development of a synthesis that extends beyond descriptive summarization, offering an in-depth interpretation of the theoretical interactions among capabilities, organizational context, and internal conditions in shaping employee performance.

RESULTS AND DISCUSSION

This section presents a synthesized analysis of findings from ten core empirical studies (Q1–Q3), using the Theory of Performance (ToP) as the primary analytical framework. The discussion is developed in a critical and narrative manner to explain why specific patterns emerge across studies and how these findings relate to theoretical propositions, prior research, and the empirical context of Southeast Asia. In doing so, this section highlights the conceptual contribution of the study by tracing performance dynamics shaped by employee capabilities, organizational context, and internal conditions.

Table 1. Profile and Mapping of the Ten Core Studies within the ToP Framework

No.	Author (Year)	Country	Sector/Sample	Quartile	ToP Components	Performance Variable
1.	(Pham-Thai et al., 2023)	Vietnam	Higher Education	Q2	Context, Internal State	Performance
2.	(Sabuhari et al., 2020)	Indonesia	Logistics (SOE)	Q3	Capability, Context, Internal State	Employee Performance
3.	(Abdullahi et al., 2022)	Malaysia	Private Higher Education	Q3	Context, Internal State	Academic Performance
4.	(Supatn & Puapradit, 2019)	Thailand	Multi-sector	Q3	Internal State	Job Performance
5.	(Pawirosomarto et al., 2017)	Indonesia	Private Manufacturing	Q2	Context, Internal State	Employee Performance
6.	(Siahaan, 2017)	Indonesia	Banking Services	Q3	Context, Internal State	Employee Performance
7.	(Napitupulu et al., 2017)	Indonesia	Public Sector	Q3	Capability, Context	Employee Performance
8.	(Cao et al., 2025)	Vietnam	Multi-sector	Q2	Context, Internal State	Employee Performance
9.	(Luu et al., 2019)	Vietnam	Public Healthcare	Q1	Context, Internal State	Team Creativity
10.	(Ha et al., 2025)	Vietnam	IT Company	Q3	Context, Internal State	Innovative Work Behavior

Source: Own Compilation (2025)

Synthesis of Findings through the Theory of Performance Framework

The comprehensive mapping of the ten studies summarized in Table 1 reveals three recurring patterns that collectively reflect the dynamics of the Theory of Performance within the Southeast Asian context.

Pattern 1: Organizational Context as a Fundamental and Non-Substitutable Driver

The synthesis indicates that organizational context functions as a foundational driver in the formation of employee performance. In the absence of a supportive environment—whether manifested through formal systems or cultural elements—neither individual capabilities nor internal conditions can operate effectively. Across the reviewed studies, organizational context is expressed in several key forms:

1. Performance-oriented HRM systems, including talent management practices, high-performance work systems, and strategic HR initiatives (Abdullahi et al., 2022; Ha et al., 2025; Pham-Thai et al., 2023).
2. Development-supportive environments, such as career advancement opportunities (Napitupulu et al., 2017) and learning-oriented organizational cultures (Cao et al., 2025).
3. Cultural dimensions of organizations, including cultural adaptability (Sabuhari et al., 2020) and internalized organizational values (Pawirosomarto et al., 2017).

These findings reinforce a central proposition of ToP: performance can only be achieved when individuals operate within organizational structures that provide clear direction, adequate resources, and well-defined expectations. The consistency of this pattern across industries and national contexts suggests that organizational context constitutes a universal foundation for employee performance in Southeast Asia.

Pattern 2: Internal Conditions and Employee Engagement as a Universal Mechanism

Internal conditions—particularly employee engagement—emerge as the most frequently identified mechanism linking organizational context to performance outcomes. Multiple studies document engagement as a primary mediator through which organizational support is translated into enhanced performance (Abdullahi *et al.*, 2022; Ha *et al.*, 2025; Supatn & Puapradit, 2019).

Beyond engagement, other internal conditions also play a significant role:

1. Organizational commitment, which strengthens employees' affective attachment to their organizations (Pawirosumarto *et al.*, 2017; Siahaan, 2017).
2. Job satisfaction, which promotes psychological stability and fosters positive responses to the work environment (Cao *et al.*, 2025; Sabuhari *et al.*, 2020).
3. Job crafting, representing an active and proactive internal condition that is particularly important for adaptive performance (Luu *et al.*, 2019).

These findings indicate that internal conditions are inherently multidimensional rather than singular. This pattern aligns closely with ToP, which emphasizes the critical role of effort and psychological states in activating individual potential.

Pattern 3: Capabilities as a Context-Dependent Component

Individual capabilities—most commonly operationalized as competencies—demonstrate a meaningful influence on performance; however, this influence is conditional rather than autonomous. Sabuhari *et al.* (2020) show that competencies contribute strongly to performance, yet their optimal effect materializes only when supported by aligned organizational culture and favorable psychological conditions. Accordingly, within the ToP framework applied to Southeast Asia, capabilities should not be understood merely as possession of skills or knowledge. Instead, capabilities must be enabled and mobilized within supportive organizational structures. This insight is particularly salient given the characteristics of ASEAN countries, where challenges related to resource allocation, bureaucratic organizational arrangements, and collectivist work cultures are commonly observed.

Contextual Dynamics in Southeast Asia: Implicit Moderation within the ToP Model

Cross-country and cross-sector synthesis reveals that the social and institutional diversity of Southeast Asia operates as an implicit moderator within the Theory of Performance framework. This contextual variation explains why relationships among variables differ across studies, despite their reliance on similar theoretical constructs. In Indonesia, particularly within highly structured public and service-oriented sectors, the pathway from organizational context to performance tends to operate through relatively stable internal conditions, such as organizational commitment and job satisfaction (Napitupulu *et al.*, 2017; Pawirosumarto *et al.*, 2017; Siahaan, 2017). This pattern suggests that bureaucratic arrangements and hierarchical organizational cultures amplify the importance of compliance-based psychological mechanisms, emotional attachment, and affective stability as foundations for performance.

A contrasting pattern emerges in Vietnam, especially within knowledge-intensive and dynamic sectors. Studies conducted in learning-oriented organizations, public healthcare institutions, and technology-driven environments indicate that work contexts in Vietnam more strongly promote engagement, individual initiative, and proactive behaviors such as job crafting (Cao *et al.*, 2025; Ha *et al.*, 2025). These internal conditions subsequently translate into higher levels of innovative behavior and team creativity, reflecting a more adaptive functioning of the ToP model in environments that are responsive to change. In such contexts, proactive internal states become a critical prerequisite for innovative performance.

Novelty of the Synthesis

This study makes a substantive contribution by systematically mapping regional empirical findings onto the Theory of Performance framework. The synthesis demonstrates that organizational context represents a foundational element in performance formation; internal conditions function as a universal mechanism linking context to outcomes; and individual capabilities yield optimal effects only when supported by aligned contextual and

psychological conditions. This integrative approach not only reinforces the theoretical relevance of ToP but also offers new insights into how employee performance is shaped within the diverse and evolving social realities of Southeast Asia.

CONCLUSION

This systematic literature review synthesizes and reinterprets empirical evidence from ten core studies conducted in Southeast Asia through the integrative lens of the Theory of Performance, representing the first synthesis to explicitly focus on the regional context. The findings demonstrate that organizational context—including high-performance work practices, career development opportunities, and learning-oriented organizational characteristics—constitutes a non-substitutable foundation for shaping employee performance. Internal conditions, such as employee engagement and organizational commitment, emerge as the primary mechanisms through which contextual factors are translated into performance outcomes, while individual capabilities remain significant but reach their full potential only when supported by a conducive organizational environment. Cross-country analysis reveals meaningful variation in mediation patterns. In Indonesia, particularly within bureaucratic and highly structured organizational settings, performance outcomes are more strongly mediated by organizational commitment and job satisfaction. In contrast, studies conducted in Vietnam highlight the central role of engagement and proactive behaviors such as job crafting within more adaptive and innovation-oriented ecosystems. These patterns underscore the importance of context-sensitive human resource approaches that are aligned with the institutional characteristics of each national setting.

Suggestions

Future research is encouraged to move beyond cross-sectional designs by employing longitudinal approaches capable of testing causal relationships within the Theory of Performance framework. Such studies should also examine institutional factors more explicitly, including levels of bureaucracy and dimensions of national culture, to deepen understanding of contextual variation in performance dynamics. From a practical perspective, the findings highlight the need for human resource professionals in Southeast Asia to prioritize investments in organizational context through well-structured HR systems, followed by deliberate efforts to cultivate internal conditions that align with sectoral characteristics. For instance, fostering employee engagement may be more effective in adaptive and innovation-driven sectors, whereas strengthening organizational commitment may be more appropriate in bureaucratic environments. By aligning contextual investments with targeted internal conditions, organizations can more effectively leverage employee capabilities to achieve sustainable performance outcomes.

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