

# ANALYSIS OF THE IMPACT OF EMPLOYEE TRAINING AND DEVELOPMENT IN IMPROVING COMPANY PERFORMANCE

Relly Boru Torus<sup>1</sup>, Widwi Handari Adji<sup>2</sup>

Study Program, Digital Business

IPiksi Ganesha Polytechnic, Bandung, Indonesia

\*e-mail: [angelarelly@gmail.com](mailto:angelarelly@gmail.com)<sup>1</sup> · [widwihandari@gmail.com](mailto:widwihandari@gmail.com)<sup>2</sup>

## ***Abstract***

*This study aims to analyze the impact of employee training and development on the performance of PT Master Intech Shinrai Company. Using a sample of 35 employees, this study adopts an explanatory method. Primary data were collected through interviews and questionnaires, while secondary data were obtained from literature studies. Data analysis was carried out using multiple linear regression analysis with the help of the SPSS 21 program. The results of the study confirmed that both employee training and development have a significant influence on company performance, both individually and together. The determination coefficient of 73.2% indicates that most of the variation in company performance can be explained by the two independent variables. This finding is in line with the theory that emphasizes the importance of human resource development in improving overall company performance. This indicates the need for continuous attention to employee training and development in the context of improving company performance.*

**Keywords:** Training, Development, Company Performance

## INTRODUCTION

Every company strives to have professional and skilled human resources in facing the fierce competition between one company and another. It is undeniable that the presence of reliable human resources is very necessary and sought after by every company, especially large-scale companies, in order to boost the company to become a leading company in its field. Human resources are considered important in supporting the success of the company, for which employees need to be spurred on in their performance. To create high performance, it is necessary to improve optimal work and be able to utilize the potential of human resources owned by employees to create company goals. One of the efforts that can be made by companies to improve company performance is through employee training and development,

Employee training in the company is very important, especially to develop human resources. Employee training and development in the company is carried out to improve the company's performance. For this reason, training is needed so that all employees are able to keep up with the development of the world of work and business according to their positions. Training is also carried out to increase productivity, work ethic, discipline, attitudes, skills, and certain skills so that they can work more optimally and better. Effective training will make employees master their jobs well and be able to keep up with business developments and survive fierce competition.

According to Adji Widwi Handari (2022), Training is a system that has been implemented to facilitate participants to be able to learn the material provided independently with clear instructions and pictures, attractive colors, and examples of practice questions and practicums, so that it can make it easier for them to practice independently and understand the material well with the many benefits and new knowledge that the participants get, Especially improving performance more professionally and being able to adjust to the company's environment.

According to Hariandja (2002), job training for employees is necessary because employees who have just joined often do not have enough understanding of how to do their work, and have to adjust to various changes in the work environment and workforce. Training also helps companies improve employee competitiveness and productivity, as well as help employees adapt to applicable rules (Girsang et al., 2021). Meanwhile, through employee development programs, it will improve company performance and increase promotion opportunities for employees to reach the next level of employees in a targeted manner. Performance development is a series of positions or positions that a person occupies during their working period in the company environment. Employee development as an HR management activity basically has the goal of being able to improve and increase the effectiveness of work implementation by employees so that they are more able to make the best contribution in realizing the company's goals.

According to Gomes (2003), employee development is a combination of the need for future training and human resource planning. From an employee perspective, employee development provides a view of the employee paths available in the organization and demonstrates the organization's long-term commitment to employees. For organizations, employee development provides a guarantee that there will be employees who are ready to fill vacant positions in the future (Rosmadi, 2018).

According to Dedi Rianto Rahardi (2023), Employee development is the entire process that employers provide to employees to help them gradually improve their skills, acquire new knowledge, and advance in their careers.

The quality of the individual who works in a company greatly determines its success. The rapid change in the environment emphasizes the importance of their ability to capture and analyze the impact of these changes on the company, as well as develop strategies to deal with the situation. Therefore, the role of human resource management in a company is not only limited to administrative tasks, but rather to develop the potential of human resources to become more creative and innovative. The training provided at the beginning of the job aims to improve the competencies required by technical personnel, in accordance with the requirements set by the company.

Further training is intended to improve their competence to a higher level of expertise in their field or to adjust if there is a new technology that must be handled in their field or to form new skills if they change their field of work. With the diverse profiles of human resources in this field, the problem that stands out today is that it is impossible for a formal educational institution to specifically provide human resources to meet these needs. Graduates from formal educational institutions are unlikely to be able to work immediately according to the qualification level of technical personnel.

The quality of graduates from various educational institutions at the same level is still very diverse, so there is often a gap when they first enter the workforce, which can hinder the achievement of desired goals (In et al., 1957). In the field of human resources, a prominent problem is that until now there is no standardized certification of expertise or skills. Meanwhile, a prominent problem in the field of human resources is the need for certification of abilities and expertise for human resources in this development project.

In this regard, it is necessary to have a human resource development program both from within the company and from outside the company itself, for example through non-formal educational institutions to be able to support formal education programs. The program is designed to be oriented towards the development of competencies of formal education graduates so that they can enter the workforce or carry out work according to the demands of their skill level. So it is clear that in every company the role of human resources is very important. However, of course, what is expected is quality human resources, in the sense of having the ability and skills to carry out tasks so that services can be carried out in an orderly and smooth manner.

The focus on human resources owned by organizations is not only aimed at optimal utilization, but also at their development, treatment, and replacement relay. So in order to improve work efficiency, the main attention is aimed at its development. The development of human resources in the organization is something that needs attention, because through the development of human resources, it is hoped that the performance of the people in the organization will be achieved well.

PT Master Intech Shinrai is one of the trading companies that sells various types of spare parts for motor vehicles. This business was pioneered by Mr. Lucky Luwiandi starting in 2004, along with the passage of time and the increase in motor vehicles in Indonesia, making it one of the companies that provides the community's needs for spare parts for various types of motorcycles that already have consumers spread across various islands of Sumatra, Java, Kalimantan, Sulawesi, and Papua. Master Intech Shingrai provides a wide range of spare parts products ranging from baud - baud, polish, exhaust caps and other products.

PT Master Intech Shinrai's policy in the spare parts purchasing department is responsible for obtaining information about suppliers and product prices, determining suppliers and issuing purchase orders to selected suppliers. The purchases made can be in the form of cash purchases and credit purchases. Cash purchases are given to suppliers who have products that cannot be reordered and the prices offered are cheaper than other suppliers and these types of goods are usually Ckd products.

So in order to improve work efficiency, the main attention is aimed at its development. The development of human resources in the company is something that needs attention, because through the development of human resources, it is hoped that the performance of the people in the company will be achieved well.

The purpose of this study is to find out the influence of training, development partially and simultaneously on the company's performance and to find out the dominant factors that affect employee performance. This article consists of four parts. First, review the literature relevant to the research, namely training, employee development, and the Company's performance. The data used by the author are primary and secondary data with data collection techniques through interviews and questionnaire distribution. The data analysis method used in this study is multiple linear regression analysis. Next, the author discusses the research findings. And this article ends with conclusions and suggestions as well as limitations of the research.

## **RESEARCH METHODS**

### **Research Design**

The research design used in this study is an explanatory research, which looks at the relationship between several variables that can explain the hypothesis being tested. This study analyzes the influence of employee training and development on company performance, through testing previously formulated hypotheses.

### **Research Population and Sample**

This research was conducted in PT Master Intech Shinrai, which is a private corporate company engaged in providing security services. Sugiyono (2015) explained that saturated sampling is a method of determining samples with 35 employees as respondents used as samples. This approach is generally used when the population size is relatively small or in studies that aim to make generalizations with very small error rates (Sabilla & Wijayangka, 2019).

### **Operational Definitions of Variables and Indicators**

Sugiyono explained that the research variable is any element that the researcher determines to investigate, with the aim of obtaining information about it and then making conclusions (Rosmadi, 2018). The research indicators can be seen in the following table:

### **Data Collection Sources and Techniques**

Data sources are research data sources that are necessary and can be obtained directly related to the research object (primary), or indirectly related to the research object (secondary). This study uses primary data sources, namely interviews and questionnaire distribution to employees of PT Master Intech Shinrai and secondary data sources in this study include literature studies, documents, reports, journals, and the internet. To obtain supporting data in this study, data collection was carried out by means of interviews, questionnaire distribution, observation and literature study.

### **Data Analysis Techniques**

The data analysis method used in this study is multiple linear regression analysis. Multiple linear regression analysis is an analysis method used to determine how much influence a variable has on other variables, there is one dependent variable and more than one independent variable. Data analysis was carried out with the help of the SPSS 21 program.

## RESULTS AND DISCUSSION

### Distribution of Respondents' Answers

The distribution of questionnaire data from respondents from each variable can be made with the following percentage of answers:

Table 1 Distribution of training variable answers (X1)

NO	QUESTIONNAIRE STATEMENT	STS	TS	N	S	SS	Sum
1	I often attend the training provided by the company.	0%	0%	4%	53%	43%	100%
2	The training I received has improved my skills in the workplace.	0%	0%	3%	54%	43%	100%
3	The training provided helped me overcome the challenges of the job.	0%	0%	13%	46%	42%	100%
4	The training I received was relevant to the demands of my job.	0%	0%	10%	43%	47%	100%
5	The training I received encouraged the growth of my employees in the company.	0%	0%	6%	47%	47%	100%

Based on the distribution table of the training variable answer (X1), it can be concluded that:

1. Respondents who stated that they often attend training provided by the company reached 43%, while 53% admitted that they sometimes participate, and only 4% never participated.
2. About 54% of respondents feel that the training they have received has improved their skills in the workplace. However, most respondents (43%) felt that the training improved their skills only slightly.
3. As many as 46% of respondents felt that the training provided helped them overcome job challenges. However, there are 42% of respondents who feel that the training provides little help in overcoming job challenges.
4. As many as 43% of respondents stated that the training they received was relevant to the demands of their jobs. However, there are also 47% of respondents who feel that the training is not relevant to their job demands.
5. About 47% of respondents feel that the training they receive encourages the growth of their employees in the company. However, the same number (47%) also feel that the training does not encourage the growth of their employees in the company.

From the data, it can be concluded that most respondents feel that the training they received is beneficial, but there is still room for improvement, especially in terms of relevance to job demands and in encouraging employee growth in the company.

Table 2 Distribution of Employee Development variable answers (X2)

NO	QUESTIONNAIRE STATEMENT	STS	TS	N	S	SS	Sum
1	I regularly participate in employee development programs.	0%	1%	19%	50%	29%	100%
2	The employee development program has increased my knowledge of the industry.	0%	0%	13%	49%	39%	100%
3	The employee development program was effective in developing my skills.	0%	0%	10%	46%	44%	100%
4	Employee development programs help me plan my employees.	0%	0%	14%	46%	40%	100%
5	The employee development program motivates me to improve my performance.	0%	0%	11%	42%	47%	100%

Based on the distribution table of the Employee Development variable (X2) answers, it can be concluded as follows:

1. The majority of respondents (50%) stated that they regularly participate in employee development programs, while 29% admit to sometimes joining, and only 19% never do.
2. About 49% of respondents feel that employee development programs have increased their knowledge of the industry. However, there are still 39% who feel that the program has only slightly improved their knowledge.
3. As many as 46% of respondents feel that employee development programs are effective in developing their skills. However, 44% of respondents felt that the program was only slightly effective in developing their skills.
4. A total of 46% of respondents stated that employee development programs help them plan their employees. However, there are also 40% of respondents who feel that the program does not help them in employee planning.
5. About 42% of respondents feel that employee development programs motivate them to improve their performance. However, the same number (47%) also felt that the program did not provide enough motivation to improve performance.

From the data, it can be concluded that most respondents consider employee development programs to be beneficial, but there are still certain aspects that need to be improved, such as effectiveness in developing skills, helping to plan employees, and providing motivation to improve performance.

Table 3 Distribution of answers to the Company Performance variable (Y)

NO	QUESTIONNAIRE STATEMENT	STS	TS	N	S	SS	Sum
1	The overall performance of the company in achieving its goals and targets is very good.	0%	0%	25%	47%	28%	100%
2	The operational processes carried out by the company are very efficient.	0%	0%	8%	47%	44%	100%
3	The products or services offered by the company meet customer expectations.	0%	0%	11%	43%	46%	100%
4	The company is excellent at adapting to market and technological changes.	0%	1%	14%	42%	43%	100%
5	My contribution to my day-to-day work positively affects the company's performance.	0%	0%	10%	40%	50%	100%

Based on the distribution table of the company's performance (Y) variables, it can be concluded as follows:

1. As many as 47% of respondents stated that the overall performance of the company in achieving its goals and targets was very good. However, 28% of respondents consider it only good, while 25% stated that the performance is only adequate.
2. Around 47% of respondents feel that the operational processes carried out by the company are very efficient. However, there are still 44% of respondents who feel that the efficiency is only good, and 8% feel that the efficiency is enough.
3. As many as 43% of respondents stated that the products or services offered by the company meet customer expectations. However, there are 46% of respondents who feel that the product or service only meets customer expectations well, and 11% feel that it does not meet.
4. As many as 42% of respondents stated that the company is very good at adapting to changes in the market and technology. However, there are also 43% of respondents who feel that the company's ability to adjust is only good, and 14% feel that it is enough.
5. About 40% of respondents feel that their contribution to daily work positively affects the company's performance. However, the same number (50%) also feel that their contribution is only a good influence, and 10% feel that their contribution is enough.

From the data, it can be concluded that most respondents have a positive view of the company's performance in achieving its goals and targets, the efficiency of operational processes, and the company's ability to adapt to market and technological changes. However, there is still room to improve the products or services offered to better meet customer expectations, as well as to further increase the influence of individual contributions on the company's performance.



### Determination Coefficient Test:

Tabel 4 Model Summary

Model Summary <sup>b</sup>					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.856 <sup>a</sup>	.732	.724	1.525	1.685

a. Predictors: (Constant), Tot\_X2, Tot\_X1

b. Dependent Variable: Tot\_Y

The regression model shows a strong relationship between independent variables (Tot\_X1 and Tot\_X2) and dependent variables (Tot\_Y), with an R Square of about 73.2%. This shows that about 73.2% of the variation in the Company's performance (Tot\_Y) can be explained by training (Tot\_X1) and employee development (Tot\_X2).

### Simultaneous Tests

Table 5 Test F  
ANOVA

Model		Sum of Squares	df	Mean Square	F	Mr.
1	Regression	438.844	2	219.422	94.345	.000 <sup>b</sup>
	Residual	160.476	69	2.326		
	Total	599.319	71			

a. Dependent Variable: Tot\_Y

b. Predictors: (Constant), Tot\_X2, Tot\_X1

The F test shows that the regression model significantly explains the variation in firm performance (Tot\_Y) with  $F = 94.345$ ,  $p < 0.001$ . Independent variables (Tot\_X1 and Tot\_X2) together make a significant contribution to the Company's performance.

Table 6 Test t  
Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	t	Mr.
		B	Std. Error	Beta		
1	(Constant)	.084	1.633		.051	.959
	Tot_X1	.405	.097	.349	4.173	.000
	Tot_X2	.585	.084	.582	6.946	.000

a. Dependent Variable: Tot\_Y

The t-test showed that the two independent variables (Tot\_X1 and Tot\_X2) partially (independently) had a significant influence on the company's performance (Tot\_Y) with t-values of 4,173 ( $p < 0.001$ ) and 6,946 ( $p < 0.001$ ), respectively. Both have a positive beta coefficient, indicating a positive relationship with the company's performance.

## Regression Test

Regression analysis shows that both independent variables, Tot\_X1 (training) and Tot\_X2 (employee development), have a significant influence on company performance (Tot\_Y). The equation model is:

$$\text{Tot\_Y} = 0.084 + 0.405(\text{X1}) + 0.585(\text{X2})$$

This shows that each unit improvement in Tot\_X1 and Tot\_X2 will lead to an increase of 0.405 and 0.585 in the company's performance, respectively. Regression analysis confirms that training (Tot\_X1) and employee development (Tot\_X2) have a significant impact on company performance (Tot\_Y). With a determination coefficient value of 73.2%, this indicates that most of the variation in the company's performance can be explained by these two factors. This finding is in line with Muchtar's (2012) emphasis on the importance of human resource development to improve the overall performance of the company.

In the study with the title "Analysis of Employee Training and Development in Improving Company Performance at Pt Master Intech Shinrai". The two studies have similar objectives in terms of objectives, namely to explore the influence of training and development on the performance of companies in different companies. Both also use a quantitative approach with multiple linear regression analysis techniques to analyze the data.

However, there are differences in the results of the two studies. The first study shows that simultaneously both employee training and development have a significant influence on company performance, while the second study shows that only human resource development partially affects employee performance.

In addition, there are differences in the approach of the sample and the location of the study. The first study used the entire employee population at PT Master Intech Shinrai, while the second study used a random sampling technique with a total of 35 respondents at PT. Master Intech Shinrai in Bandung.

In another study entitled "The Influence of Training and Development on Work Discipline and Employee Performance" (Mangkunegara, 2013). Both studies discussed the effect of training and development on employee performance, although the focus was slightly different. The first study, conducted by Sulaefi, examined the influence of training and development on work discipline and company performance at PT. Master Intech Shinrai. The study shows that training directly affects performance, while development affects performance through work discipline.

The second study, conducted by Relly Boru Torus, aimed to investigate the impact of employee training and development on the company's performance at PT. Master Intech Shinrai. The findings of the study confirm that both employee training and development have a significant influence on company performance, and most of the variation in company performance can be explained by these two independent variables.

Both studies underline the importance of paying attention to employee training and development in improving company performance. While the first study highlighted the relationship between training, development, work discipline, and performance, the second study showed that employee training and development have a significant impact directly on the company's performance at PT Master Intech Shinrai. Thus, both studies provide an in-depth understanding of the importance of investing in human resource development to improve company performance.

## CONCLUSION

This study shows that employee training and development have a significant influence on company performance at PT Master Intech Shinrai. The determination coefficient of 73.2% shows that most of the variation in the company's performance can be explained by these two variables. These findings underscore the importance of investing in human resource development to increase the effectiveness and productivity of companies. Nonetheless, the research also highlights the need for improvements in the relevance of training to job demands as well as in driving employee growth. Therefore, companies are advised to continue to evaluate and adjust their employee training and development programs. This conclusion is consistent with other studies that show that investment in employee development has a positive impact on overall company performance.

## SUGGESTION

Based on the results of the above research, the author intends to provide advice to related parties, namely:

1. For the company, the company needs to pay attention to employee training and development through training and development programs evenly to all employees.
2. For the company, it is necessary to increase the budget for human resources, especially the budget for employee training and also in employee development
3. For employees, they need to have self-awareness so that they can also independently continue to improve themselves, especially training themselves independently, for example, participating in motivational training or skills lessons to improve skills, for example, special computer skills, or can also go to further lectures, such as S2 or S3.

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