

The Impact of Training and Career Development on Employee Performance: Motivation as an Intervening Variable at PT Circleka Indonesia Utama, Batam Region

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Abstract. This study aims to investigate the effects of training and career development on motivation within PT Circleka Indonesia Utama. The subjects of this study are individuals employed at PT Circleka Indonesia. This study utilized data collected from one hundred employees at PT Circleka Indonesia Utama, employing a quantitative methodology for analysis. This research employed SmartPLS 4.0 to perform partial least squares (PLS) analysis for the evaluation of the hypothesis.

The findings of this study indicate that training significantly influences performance, whereas Career Development appears to have no effect. Furthermore, it is important to note that while training does not influence motivation, Career Development plays a significant role in this regard. Ultimately, motivation serves as the fundamental catalyst influencing the relationship between training and performance, and conversely. The findings of this research indicate that 1) Training (X1) does not influence Work Performance (Y) 2) The relationship between Career Development (X2) and Work Performance (Y) is non-existent. 3) The training variable (X1) does not influence the motivation variable (Z). The relationship between career development and motivation is significant. 5) The relationship between training (X) and employee performance (Y) is influenced by the mediating factor of motivation (Z). 6) Career development (X2) has a significant impact on employee performance (Y), with motivation (Z) serving as a mediating factor in this relationship

Keywords: Training, Career Development, Motivation, Employee Performance

1. Introduction

When setting up a business, a strategy must be created so that the business runs well, in the context of services there are strategies implemented to achieve this *Company Key Performance Indicators (KPI)*. Of course, in the company we work in, career development is the number one topic on employees' minds. Nowadays, the success of a business depends on whether the employees are involved in self development or not.

In this scenario, a profitable company is needed to drive growth and progress, with HR acting as the driving force. The role of HR management is crucial to the long term success and sustainability of a company or organization. (Sudaryo et al., 2018) [1]. Human resources are crucial for organizations because their performance plays an important role in achieving the organization's stated vision and goals. Indahingwati and Nugroho (2020) [2] define employee performance as the level of work excellence demonstrated by a person in fulfilling the obligations given. Employee performance is an important aspect in facilitating the achievement of company goals. That is why, to improve performance, it is very important to foster motivation among employees. Ensuring employee motivation is essential to increasing productivity in the workplace. It is vital for all employers and employees within an organization to strive to increase

their productivity levels, as this directly contributes to the success and efficiency of business operations. Both entrepreneurs and workers must make efforts to increase their productivity (Sulaeman, 2014).

Previous research has shown that training and career development have a positive influence on employee performance. For example, a study by Rahman et al. (2021) [3] revealed that a well designed training program can increase employee motivation and performance. Research by Sari et al., (2022) [4] also emphasizes the importance of career development in improving employee performance and job satisfaction.

In addition, it was also found that desire is a key factor that can improve the relationship between training, job growth, and employee success. Motivating factors such as praise, achievement, and assignments can greatly improve employee performance, according to motivation theories such as Herzberg's TwoFactor Theory. Dermawan et al.'s research. from 2022 [5] shows that mediation motivation makes the impact of training and career development on employee performance stronger.

This research was conducted at PT. Circleka Indonesia Utama Batam Branch, which is a convenience store in the seventh city in Indonesia, wants to become the most popular supermarket in this country. The goal is to improve its human resources, make its business processes more effective, and keep its finances in order. However, there are still problems with the way the company runs its operations, and workers in operations will not do their best work in 2023. Sub ideal employee performance is influenced by workers who are unmotivated, have no opportunities for job growth, and do not feel connected to their work they.

2. Theoretical Study

2.1 Training

According to Sofyandi, 2008 (in Darmawan, Supartha, and Rahyuda, 2017) [6] Training is an initiative that aims to improve employees' skills and knowledge so that they can carry out their duties more efficiently and effectively. Training has a number of indicators according to Saks and Haccoun (2010), namely: (1) orientation training; (2) training on knowledge of job; (3) training on job skill; (4) training on problem solving; (5) training meet with they desired.

2.2 Career Development

In his writing, Mangkunegara (2009) [7] emphasized that career development is a strategic process that aims to assist employees in formulating and implementing their professional growth plans within the organization, so as to facilitate joint development between employees and the company. Apart from that Jumawan & Mora (2018) [8], emphasized that career development should not only depend on individual efforts, because this is not necessarily in line with organizational goals. According to Kosali (2023) [9], there are a number of indications of professional growth.

- a. Professional development.
- b. Advertising.
- c. Professional advancement.

- d. Career planning.
- e. Satisfaction level.

2.3 Employee performance

According to Nofritar, & Mahmudin, Y. (2023) [10] performance refers to the results or level of success achieved by an individual during a certain period in completing tasks, compared to previously established targets, standards, goals or criteria. According to Mangkunegara (2009) [11], the following are performance indicators: (1) Quality of work results; (2) Number of work results; (3) Responsibility; (4) Cooperation; and (5) Initiative.

2.4 Motivation

Natalia, N. K. S. S., & Netra, I. G. S. K. (2020) [12], defines motivation as the action of a manager who shares enthusiasm, inspiration and encouragement to employees to take action. Sayuti (2006) [13] identified the following as indicators of work motivation: (1) being aggressive; (2) creative in work; (3) the quality of work improves every day; (4) comply with working hours; (5) able to complete the tasks assigned to him; (6) have high work initiative, so as to strengthen work performance; (7) loyal and honest; (8) establishing working relationships between employees and management; (9) achieving individual goals as well as organizational goals; and (10) share correct and accurate information.

3. Research Methods

The PT Circleka Indonesia Utama branch in Batam was the research location. By creating reliable and valid research tools, quantitative research methodology was used in writing this thesis. Quantitative research methods were used in this research. This is a type of scientific research that looks at one problem with one event and sees whether there is a link or relationship between the variables in the problem. To obtain the required data, the process used is to use documentation and distribute questionnaires to collect respondents' perspectives likert scale. This method is used to assess income, attitudes and personal or group perceptions of people regarding social phenomena. The research population consisted of 100 employees who worked at PT Circleka Indonesia Utama Batam branch. The sampling approach used is saturated sampling, as defined by Sugiyono (2019) [14], which involves selecting the total population of workers as a sample. The data analysis approach used is path analysis, using the Smart PLS 4 tool.

The following conceptual framework for this research is:

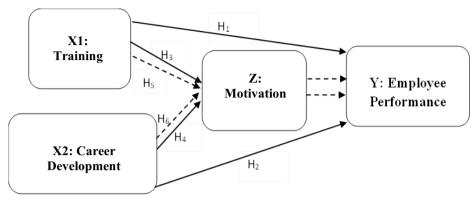


Figure 1. Formulation of Hypotheses

Source: Researcher Processed Data 2024

Hypothesis Development:

H1: Impact Training (X1) against Training (AND)

H2: Impact Career development (X2) against Training (AND)

H3: Relationship between Training (X1) to Motivation (Z)

H4: Relationship between Career Development (X2) and Motivation (Z).

H5: Relationship between Training (X1), against Training (Y) is mediated by Motivation (Z).

H6: Relationship between Career development (X2), against Training (Y) mediated by Motivation (Z).

4. Results And Discussion

This research obtained data from distributing questionnaires to 100 respondents who were PT shop employees. Circleka Indonesia Utama Batam branch. The scale used to measure the level of satisfaction is grouped into 4 categories (⁴⁾Strongly Agree, ³⁾Agree, ²⁾Disagree, and ¹⁾Strongly Disagree).

The characteristics of research respondents are profiles that are closely related to employees, which in this condition include gender and age. Based on gender, respondents in this study were classified as:

 Respondent Characteristics
 Amount
 Percentage

 Gender
 Male
 66
 66%

 Female
 34
 34%

Table 1. Respondent Characteristics

Source: Researcher Processed Data 2024

We all know that there are more men than women filling out these surveys. Of those who took the survey, 66 (66% of the total) were men and 34 (34% of the total) were women.

Respondent Characteristics (Age) Frequency Percentage 16% (a) 19 16 25 25% (b) 20 21 (c) 21 21% 11 11% (d) 22 (e) 23 13 13% (f) 24 4 4% (g) 2510 10%

Table 2. Respondent Characteristics

Source: Researcher Processed Data 2024

In the age condition, 16 people (16%) answered when they were 19 years old, 25 people (25%), 21 people (21%), 11 people (11%) when they were 22 years old, 13 people (13%) when they were 22 years old, 4 people (4%) when they were 14 years old, and 10 people (10%) when they were 25 years old, all of which had a total of 100%.

Path Analysis (Path Analysis)

Path analysis is a way to look at cause and effect relationships in research when independent variables contribute dependent variable either directly or indirectly. This condition provides an illustration of the influence of training and career development on employee performance at PT Circleka Indonesia Utama using motivation as an intervening variable.

This study's research questions are about the direct or indirect effects of some external latent constructs on some internal latent constructs through influencing factors. The goal of hypothesis testing is to find answers to these questions. The importance of hypothesis testing can be assessed by juxtaposing the t statistic or t value against the critical value derived from the t distribution table, specifically 1.96 at a significance level of 5% alpha. We reject the null hypothesis if the t statistic or calculated t value is less than the critical t value of 1.96 at a significance level of 5%. Conversely, we accept the alternative hypothesis if the t statistic or calculated t value exceeds the critical t value of 1.96 at the same significance level. The results obtained from the testing of the structural model, as delineated by Smart PLS, are as follows.

Table 3. Result For Inner Weight

Path coefficient – Mean, STDEV, TValue, P Value									
	Original Sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (IO/STDEVI)	Nilai P (P Values)	Remarks			
Training (X1) > Employee Performance (Y)	0.195	0.224	0.094	2.063	0.039	Hypothesis Accepted			
Training (X1) > Motivation (Z)	0.194	0.202	0.206	0.941	0.347	Hypothesis Rejected			
Career Development (X2) > Employee Performance (Y)	0.075	0.101	0.100	0.749	0.454	Hypothesis Rejected			
Career Development (X2) > Motivation (Z)	0.616	0.615	0.155	3.969	0.000	Hypothesis Accepted			

Source: Researcher Processed Data 2024

In this condition, a hypothesis is proposed, namely:

Hypothesis 1: Training (X1) has an influence on work performance (Y), in accordance with hypothesis 1 (X1). accepted when the Training Variable (X1) has *t statistic value* is 2,063, which is more than 1,96, or *p value* is 0.000, which is below 0.050.

Hypothesis 2 : The second hypothesis is that there is no correlation between career advancement (X2) and performance at work (Y). Which means there is rejection. This is supported by *t value statistic* namely 0.749 under 1.96 or *P Value* namely 0.454 which is more than 0.050 given by the Career Development variable (X2).

Hypothesis 3 : Rejection of hypothesis 3, which confirms that training has no impact on motivation, because the training variable (X1) reaches t – value statistic namely 0.941 < 1.96 or p values is 0.347 > 0.050.

Hypothesis 4 : Acceptance of Hypothesis 4 (career development influences motivation) results from the Career Development Variable (X2) having t – value statistic is 3,969 > 1,96 or P Value is 0,000 < 0,050. The main aim of this research is to see the relationship between external factors and internal factors using mediating factors in PLSSEM analysis with mediation effects. At this stage, we will examine the influence of training as well as motivation, two external factors, on employee performance at the same time as we assess the mediating variable work discipline. In addition, to understand the impact of training and career development on employee performance in the Utama Batam Region of PT Circleka Indonesia, with work motivation as an intermediary variable, the following path analysis is presented to show the value of direct and indirect influences in forming hypothesis 5.6:

Table 4. Result For Path Analysis

Specific indirect effects – Mean, STDEV, T Value, P Value									
	Original Sample (O)	Sample mean (M)	Standard deviation (STDEV)	T Statistic (IO/STDEV)	Nilai P (P – Values)	Remarks			
Training (X1) > Motivation (Z) > Employee Performance (Y)	0.226	0.220	0.101	2.246	0.025	Hypothesis Accepted			
Career Development (X2) > Motivation (Z) > Employee Performance (Y)	0.320	0.278	0.116	2.752	0.006	Hypothesis Accepted			

Source: Researcher Processed Data 2024

Hypothesis 5: In terms of the relationship between employee performance and training, it is known that motivation acts as a mediator. As illustrated by the symbol X1, motivating workers is specifically responsible for mediating the indirect impact on worker performance (Y). This is an important function for motivation as a mediating variable because motivation plays a role in helping influence worker performance. With *p value* namely 0.025, the path mediation coefficient is 0.226, below the significance threshold of 0.05.

Hypothesis 6: With a route mediation coefficient of 0.320 and *p value* namely 0.006 (below 0.05), then the hypothesis which confirms that there is a relationship between employee performance and career growth which is mediated by motivation can be accepted. The significance of this relationship lies in the fact that motivation functions as a mediating variable, more precisely mediating training has an indirect influence on employee work efficiency. According to research conducted by (Paputungan et al., 2021) and (Hayya, 2021), [15] [16] career development has a positive and substantial influence on employee performance through work motivation. The findings of this study are in line with this.

6. Conclusion

At PT Circleka Indonesia Utama in the Batam Region, the study's findings provide valuable insights into the ways that career development programs and organized training lead to improved employee performance. In addition to reiterating the statistical results, the findings possess significant implications for the domains of human resource management and organizational development.

Initially, the research underscores the significance of ongoing education and professional advancement in enhancing productivity and fostering employee engagement. The findings illustrate a direct relationship between training initiatives and enhanced performance outcomes, indicating that organizations that prioritize employee development experience not only improvements in performance metrics but also cultivate a more motivated and resilient workforce.

Furthermore, the function of motivation as a mediating variable underscores the psychological dimension of performance. Individuals who perceive a robust support system for their professional development are more inclined to exhibit motivation, which subsequently contributes to elevated levels of job satisfaction and employee retention. This finding indicates that human resource practices ought to prioritize not merely the enhancement of skills but also the cultivation of a motivational culture that harmonizes individual aspirations with organizational aims.

Ultimately, the ramifications encompass strategies related to talent management. Organizations ought to consider training and career development as integral strategic instruments for the retention of talent and the enhancement of competitive advantage, especially within sectors where employee turnover may adversely affect operational efficiency. The findings indicate that the incorporation of motivational components within developmental initiatives has the potential to significantly augment their efficacy.

In summary, this research enhances the existing literature that associates the development of human capital with organizational performance, offering actionable insights for human resource practitioners seeking to enhance both individual and collective results within their workforce.

Based on the analysis results, it is evident that training can enhance employee work performance, which in turn can also improve their career development. Companies that frequently conduct training sessions for their employees will see an increase in work performance, and employees will become more motivated to work, thereby helping the company achieve its goal.

For the article on "The Effect of Training and Career Development on Employee Performance: The Role of Motivation as an Intervening Variable at PT Circleka Indonesia Utama," the following are implications that can be applied by the company:

- Focusing on Continuous Learning: The conclusion highlights how important ongoing education and career growth are for improving productivity and keeping employees engaged. Organizations should invest in training and career development programs to boost employee and company performance.
- 2. Look at Motivation as a Key to Performance: The study shows that motivation plays a crucial role. Organizations should focus on skill development and also create a motivating environment that connects individual goals with the company's objectives. Getting everyone on the same page can make workers happier, keep them around longer, and boost overall performance.
- 3. Talent Management: The conclusion suggests that HR departments should connect training and career development to keeping talent and gaining a competitive edge, integrating these programs into their overall talent management plans. The research indicates that motivation is important for making these programs more effective.
- 4. Therefore, HR teams should create training that includes motivational elements, like acknowledging achievements and matching career paths with personal goals.
- 5. The study provides useful ideas for HR professionals. Organizations can use these findings to create better development programs that focus not just on technical skills, but also on psychological factors like motivation. This can create a more involved, effective, and dedicated team, lowering turnover and enhancing how the organization performs.
- 6. This conclusion shows that combining skill development with motivation is important for getting the most out of employee development programs, which helps improve performance and gives organizations an edge in competitive markets.

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