

# THE INFLUENCE OF COMPETENCE, TRAINING, AND CAREER DEVELOPMENT ON JOB SATISFACTION AND EMPLOYEE PERFORMANCE

Sanggar Ayu Prayoga <sup>a\*)</sup>, Minto Waluyo <sup>b)</sup>

<sup>a)</sup> Universitas Pembangunan Nasional "Veteran" Jawa Timur, Surabaya, Indonesia

<sup>\*)</sup>Corresponding Author: 19032010105@student.upnjatim.ac.id

**Article history:** received 02 September 2023; revised 16 September 2023; accepted 02 October 2023

**DOI:** <https://doi.org/10.33751/jhss.v7i3.8183>

**Abstract.** The study examined how performance and work satisfaction at XYZ Company are impacted by competence, training, and career advancement. Data are taken from the sample at this point in the data collection process. Purposive sampling is the technique employed to collect the data. In order to determine whether there is a relationship or influence between the two variables (independent variable and dependent variable), this study employs a technique. This study includes the whole population of 43 persons from XYZ company who have engaged in employee development activities in the last year. The Partial Least Squares test is used to test hypotheses. According to the findings of this study, competence has a positive and significant impact on job satisfaction, training has a positive and significant impact on job satisfaction, career development has a positive and significant impact on job satisfaction, and job satisfaction has a positive and significant impact on employee performance at XYZ company. The relationship model equation between exogenous and endogenous variables is hence  $Y_2 = 0,371 X_1 + 0,202 X_2 + 0,286 X_3$ .

**Keywords:** Competence, Training, Career Development, Employee Performance

## I. INTRODUCTION

In business development, human resources are one of the main factors that support the company's survival. Human resources, in this case, are company employees. Company employees have an essential role in developing the company's economic development [1]. In its development, the company must pay attention to job satisfaction and performance [2]. Because if you are satisfied, this will have a favorable impact on employee performance. Satisfaction affects productivity because it measures how much they give the company positive work results, including employee performance, by analyzing the factors that affect employee job satisfaction. Then the company can find out the factors that affect company performance, which are used to improve the company's future planning. [3] The satisfaction felt by employees can foster the spirit of employee performance so that company goals can be realized.

XYZ Company is a company in the field of telecommunications, networks, services, and content which is one of the wholly-owned subsidiaries of a state-owned company. Based on an initial survey at XYZ Company, complaints result in employee job dissatisfaction and decreased employee performance. This is known after several employees argued that the company's competencies, training, and career development still have shortcomings, resulting in job satisfaction and employee performance. This will reduce job satisfaction and disrupt employee performance because competence, training, and career development are steps for employees to develop skills materially and knowledgeably. This results in a decrease and inconsistency in employee performance in the data provided by the company in the last three years, especially 2020-2021.

According to company data, it can be observed that employee performance from year to year experiences

inconsistency and declines from 2020 to 2021. The company target of 75% of potential employees serves as the main benchmark for the company to improve the performance of its employees. This, according to an interview with one of the company's managers, is characterized by a decreasing and erratic percentage of potential employees, which can be seen from 2020 to 2021, falling from 65.94% to 61.08%. The company as a workplace must provide appropriate competencies, training, and career development that can increase productivity. This will increase job satisfaction so that it can then increase employee performance.

These issues and descriptions served as the basis for research that used partial least squares (PLS) to examine the effects of competence, training, and career development on employee performance and job satisfaction. Job satisfaction will be impacted if the competency, training, and career development aspects are not met, which will result in a less-than-ideal contribution from the individual. Employee performance will be affected by their level of happiness at work, which will, in turn, affect their level of confidence at work. Job satisfaction will impact employee performance through fostering a positive work culture, which in turn will effect performance within the organization [4].

Based on the background material supplied, a research framework was developed for the relationship between the influence of competence, training, and career development on job satisfaction and performance at XYZ Company.

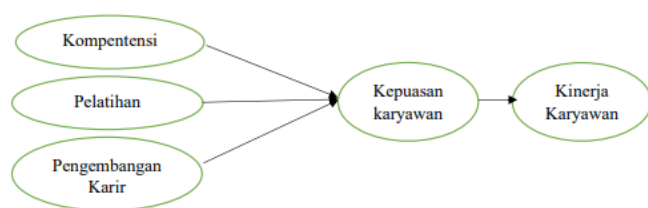


Fig. 1 Research Framework

**Research Hypothesis:**

1. Hypothesis 1: Competence (X1) has a positive influence on Job satisfaction (Y1)
2. Hypothesis 2: Training (X2) has a positive influence on Job satisfaction (Y1)
3. Hypothesis 3: Career development (X3) has a positive influence on Job satisfaction (Y1)
4. Hypothesis 4: Job satisfaction (Y1) has a positive influence on Employee Performance (Y2)

**Employee Performance**

Employee performance is one of the key components that can be enhanced, according to Harahap [5], if employees know what is expected of them when they can participate and are evaluated for their performance results based on behavior. According to Hasibuan [6], the factors that affect performance are internal and external factors, one of which is job satisfaction. Increasing job satisfaction is one strategy to enhance staff performance. People's attitudes toward their employment are reflected in their job satisfaction [7].

**Job Satisfaction**

Job satisfaction, according to Wibowo [8], is an assessment that defines a person's feelings of happiness or unhappiness, pleasure or dissatisfaction at work. Salary or pay, prospects for career advancement, interactions with coworkers, workplace location, the type of work, the organizational structure of the company, and quality control are only a few examples of feelings associated with one's job [9].

**Competence**

Companies must pay attention to employee competency concerns in the organization/company because competency is one of the determining elements in enhancing performance [8]. Competence is a fundamental and ingrained aspect of a person's character and behavior that may be predicted in a variety of situations and work-related tasks [10].

**Training**

Likewise, training is one of the factors in increasing job satisfaction so that it can improve employee performance. According to Cashmere [11], training is necessary for companies to develop the ability and knowledge to operate the new technology. As'ad in Sutrisno [12], Training concerns planned and organized efforts so that mastery of skills, knowledge, and attitudes relevant to work is achieved.

**Career Development**

According to Kaswan [13], career development encompasses skills, education, experience, behavior modification, and improvement strategies that add value to a person's ability to work better. According to Siagian [14], various indicators that need to be considered in career development are fair treatment, concern for direct supervisors, information about various promotion opportunities, and interest in promotion.

**II. RESEARCH METHODS****Quantitative Analysis**

Data are taken from the sample at this point in the data collection process. Purposive sampling was the approach employed to acquire the data. In order to determine whether This study uses a strategy to determine whether there is a relation, influence, or effect between the two variables (independent and dependent variables). The independent variables in this study are X1, which stands for competence X2, and Training, X3, which stands for Career Development. Employee Performance and Y1, or Job satisfaction, are the dependent variables. The employee performance variable has an intervening variable called work satisfaction. Intervening (moderating) factors are theoretically or fictitiously predicted to impact the relationship between the independent and dependent variables, even while the independent variable does not directly effect the dependent variable.

The data collection method involves interviews (interviews) and questionnaires (questionnaires). This study used the entire population participating in the employee development program in the past year, total 43 people. The sample of this study was the whole population data analysis using the Partial Least Square (PLS) method.

**Partial Least Square (PLS).**

The PLS technique is used by developing an inner model to represent the connection between the independent variable factors and the dependent variable [15]. An outer model should then be used to characterize the relationship between latent and reflected indicator variables. Then, to determine the quality of fit, examine the model's applicability, namely the inner model (R-Square, F-Square, and Q-Square predictive relevance) and the outer model (convergent validity, discriminant validity, and composite reliability). In hypothesis testing, the bootstrap resampling approach and t-test statistics are utilized [16].

**III. RESULTS AND DISCUSSION****Data Collection**

This study uses the PLS method to determine a relationship or influence between competence, training, and career development on job satisfaction and performance.

**Table 1 Research Attributes**

Variable	Attribute	Indicator
<b>Competency (X1)</b>	X1.1	Self-control at work
	X1.2	Confidence in work
	X1.3	flexibility
	X1.4	Build relationships between officers.
<b>Training (X2)</b>	X2.1	Opportunity in Training
	X2.2	Training method
	X2.3	Training materials
	X2.4	Research purposes
<b>Career Development (X3)</b>	X3.1	Information about various promotional opportunities
	X3.2	Fair treatment in a career (promotion opportunity)
	X3.3	Interested in promotion
	X3.4	Superiors support
<b>Job satisfaction (Y1)</b>	Y1.1	job satisfaction
	Y1.2	Satisfaction with the company
	Y1.3	Satisfaction with colleagues
	Y1.4	Satisfaction with superiors
<b>Employee performance (Y2)</b>	Y2.1	Quality of work
	Y2.2	Work quantity
	Y2.3	work effectiveness
	Y2.4	Responsibility

Source: Processed primary data, 2023

After the questionnaire was distributed, the data was processed using the Partial Least Squares (PLS) method. Data were obtained from up to 43 employees who participated in XYZ Company's development programs over the preceding year, with the overall population acting as the research sample via purposive sampling.

### Path Diagram Construction

Forming a structural model (inner) and a measurement model (outer) is the first stage in this research.

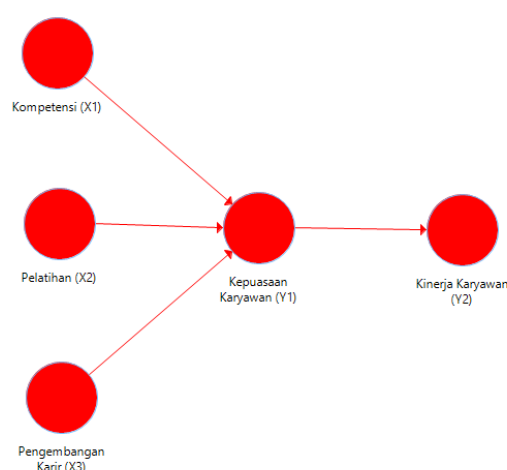


Fig. 2 Inner Model

In the structural model above, the job satisfaction variable influences the employee performance variable. Then the job satisfaction variable is influenced by three variables: competency, training, and career development.

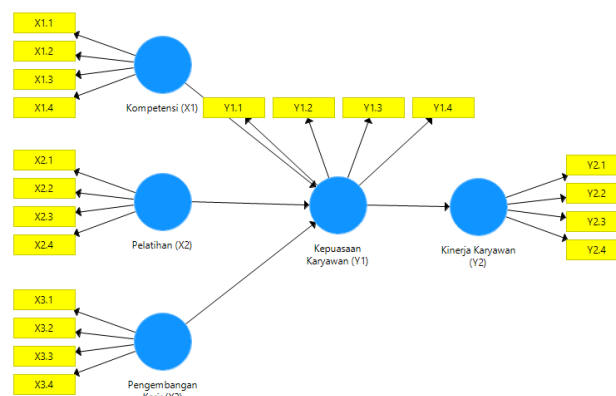


Fig. 3 Outer Model

In the measurement model above, each variable has an indicator that reflects the variable.

### Outer Model Evaluation

A test of the validity and dependability of the under-investigation variables is the evaluation of the measurement model. The link between latent variables and their indicators can be defined by the measurement model. The measurement model is subjected to three tests: the convergent validity test, the discriminant validity test, and the reliability test.

## 1. Convergent Validation Test

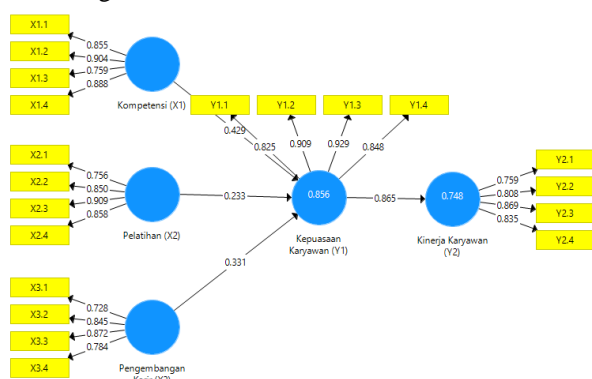


Fig. 4 Output Outer Model

Table 2 Outer Loading Value

	(X1)	(X2)	(X3)	(Y1)	(Y2)
X1.1	0,855				
X1.2	0,904				
X1.3	0,759				
X1.4	0,888				
X2.1		0,756			
X2.2		0,850			
X2.3		0,909			
X2.4		0,858			
X3.1			0,728		
X3.2			0,845		
X3.3			0,872		
X3.4			0,784		
Y1.1				0,825	
Y1.2				0,909	
Y1.3				0,929	
Y1.4				0,848	
Y2.1					0,759
Y2.2					0,808
Y2.3					0,869
Y2.4					0,834

Source: Primary data processing, 2023

The association between the indicator and latent variable scores reveals convergence validity. If the outer loading value is greater than 0.7, individual reflective measures can be regarded as excessive. There are no indicators that need to be deleted to obtain a valid and qualifying indicator value because, according to Table 2, all 20 indicators meet the loading factor value requirements, which are above 0.7.

## 2. Discriminant Validation Test

The output value of cross-loading between indicators and their constructs is a sign of discriminant validity. Compared to other latent variables, the cross-loading correlation value with the latent variable must be higher.

Table 3 Cross-Loading Value

Indicator	independent variable					Information
	(X1)	(X2)	(X3)	(Y1)	(Y2)	
X1.1	0.855	0.622	0.764	0.813	0.746	Valid
X1.2	0.904	0.633	0.714	0.717	0.684	Valid
X1.3	0.759	0.673	0.679	0.685	0.6	Valid
X1.4	0.888	0.707	0.665	0.784	0.754	Valid
X2.1	0.549	0.756	0.667	0.595	0.639	Valid
X2.2	0.646	0.85	0.615	0.692	0.668	Valid
X2.3	0.644	0.909	0.629	0.753	0.67	Valid
X2.4	0.76	0.858	0.713	0.719	0.802	Valid
X3.1	0.662	0.618	0.728	0.538	0.671	Valid
X3.2	0.803	0.716	0.845	0.889	0.77	Valid
X3.3	0.676	0.625	0.872	0.732	0.69	Valid
X3.4	0.483	0.515	0.784	0.542	0.615	Valid
Y1.1	0.714	0.616	0.745	0.825	0.682	Valid
Y1.2	0.803	0.747	0.755	0.909	0.782	Valid
Y1.3	0.854	0.758	0.83	0.929	0.832	Valid
Y1.4	0.722	0.754	0.712	0.848	0.734	Valid
Y2.1	0.639	0.666	0.749	0.668	0.759	Valid
Y2.2	0.721	0.643	0.598	0.624	0.808	Valid
Y2.3	0.642	0.663	0.669	0.745	0.869	Valid
Y2.4	0.691	0.718	0.77	0.777	0.835	Valid

Source: Primary data processing, 2023

The outer loading value for each indication is higher than the correlation with indicators on other latent variables, as seen in the cross-loading value table above. These are competence indicators (self-control, self-confidence, adaptability, and employee connection development) with outer loading values of 0.855, 0.904, 0.759, and 0.888. This number exceeds the correlation value of training factors, career development, job satisfaction, and performance indicators. The same is true for the indicators of latent variables. As a result, each indicator passed the discriminant validity test.

## 3. Average Variance Extracted (AVE) Test

Based on Table 2, 20 indicators are judged valid; therefore, the resulting Average Variance Extracted (AVE) value is examined. If AVE > 0.5, the value is judged valid.

Table 4 Average Variance Extraced Value

	AVE
Competency (X1)	0,728
Training (X2)	0,714
Career Development (X3)	0,654
Job satisfaction (Y1)	0,773
Employee Performance (Y2)	0,670

Source: Primary data processing, 2023

Table 4 above shows that all latent variable values met the AVE > 0.5 criteria.

## 4. Reliability Test

The reliability test is the final stage in the outer model evaluation, and it explains the consistency of all measurement test results. The reliability test has two methods: looking at the Cronbach alpha value and composite reliability with a benchmark of > 0.60.

**Table 5 Composite reliability values**

Variable	Composite Reliability	Information
Competency (X1)	0,914	Reliable
Training (X2)	0,908	Reliable
Career Development (X3)	0,883	Reliable
Job satisfaction (Y1)	0,931	Reliable
Employee Performance (Y2)	0,890	Reliable

Source: Primary data processing, 2023

The composite dependability value for the variables is shown in the table above that competence, training, career development, job satisfaction, and employee performance is greater than 0.6, indicating that all variables are reliable and consistent.

### Inner Model Evaluation

The structural model seeks to establish a link between construct variables, significant values, and R-Square and Q-Square values / predictive relevance of competence, training, career development, employee happiness, and performance.

**Table 6 R-Square Value**

Variable	R-Square
Job satisfaction (Y1)	0,856
Employee Performance (Y2)	0,748

Source: Primary data processing, 2023

The R-Square value indicates how much variance the hidden variable can account for in each indicator. The R-Square value has guidelines of 0.67, 0.33, and 0.19, suggesting that the model is strong, moderate, or weak. The R-Square value on the work satisfaction variable is 0.856, indicating that the model is strong, according to Table 6. It is well known that the variables of competence, training, and career development can be used as a measuring tool for job satisfaction variables of 0.856 or 85.6%, for a value of 0.144 or 14.4%, and others are influenced by other variables that have not been investigated. The R-Square value on the employee performance variable is then 0.748, indicating that the model is strong. It is known that the job satisfaction variable can be used as a measuring tool for the job satisfaction variable of 0.748 or 74.8%, for a value of 0.252 or 25.2% others.

The Q-Square number is used to evaluate the accuracy of the created model's predictions. According to the results, the Q-Square value of job satisfaction is 0.610, and the Q-Square value of employee performance is 0.454. This demonstrates that the model in this study has predictive power because the Q-Square value is greater than zero.

### Hypothesis Test

The T-Statistic value, which represents the level of significance between latent variables, demonstrates this hypothesis testing. This value is produced by running the SmartPLS program through a bootstrapping phase. The significance threshold in this study is 5%, and the confidence level is 95%, so the T-Statistic value must be more than 1.96 to be considered significant. If the TStatistic value is greater than 1.96, the hypothesis is rejected, and vice versa.

**Table 7 PLS Calculation Results**

	Original Sample (O)	T-statistic	P Value	hypothesis
Competence (X1) -> Job satisfaction (Y1)	0,429	2,774	0,006	Accepted
Training (X2) -> Job satisfaction (Y1)	0,233	1,985	0,048	Accepted
Career Development (X3) -> Job satisfaction (Y1)	0,331	2,208	0,028	Accepted
Job satisfaction (Y1) -> Employee Performance (Y2)	0,865	25,670	0,000	Accepted

Source: Primary data processing, 2023

The findings of this description lead to the conclusion that the entire model for this variable has a positive value, determining whether the P-Value in the table above represents the level of significance of the analysis's findings. The following are the conclusions of the hypothesis:

1. The relationship between Job satisfaction (Y1) and the Competency variable (X1) indicates a path coefficient value of 0.429 and a t-statistic value of 2.774 (>1.96). As a result, the hypothesis is accepted because there is a positive and substantial correlation between the two variables.
2. The relationship between Job satisfaction (Y1) and the Training variable (X2) exhibits a path coefficient value of 0.233 and a t-statistic value of 1.985 (>1.96). As a result, the hypothesis is accepted because of a positive and substantial correlation between the two variables.
3. The relationship between job satisfaction (Y1) and career development characteristics (X3) exhibits a path coefficient value of 0.331 and a t-statistic value of 2.208 (>1.96). This indicates a negative correlation and insignificant link between the two variables, supporting the hypothesis.
4. The path coefficient value for the relationship between the Job satisfaction variable (Y1) and employee performance (Y2) is 0.865, and the t-statistic value is 25.670 (>1.96). As a result, the hypothesis is accepted because of a



positive and substantial correlation between the two variables.

According to the outer loading findings of the validity test, all indicators have values more than 0.7, indicating that none must be eliminated to meet the convergent validity criteria. Cross-loading correlation with the latent variable must be stronger than correlation with other latent variables for discriminant validity. In this study, the outer loading value of each indicator is bigger than the correlation with indicators on other latent variables, indicating that it meets the discriminant validity criterion. All four variables have positive variable outcomes. Competence has a 0.429 positive impact on job satisfaction. Training has a 0.233 good impact on job satisfaction, career development has a 0.331 positive impact on job satisfaction, and job satisfaction has a 0.865 positive impact on employee performance. So, given the relationship model equation between exogenous and endogenous variables, namely:

$$Y1 = f(x)$$

$$Y1 = 0,429 X1 + 0,233 X2 + 0,331 X$$

$$Y2 = f(Y1) \quad Y2 = 0,865 (0,429 X1 + 0,233 X2 + 0,331 X3)$$

$$Y2 = 0,371 X1 + 0,202 X2 + 0,286 X3$$

As a result, the final equation resulting from the relationship model of exogenous and endogenous variables is

$$Y2 = 0,371 X1 + 0,202 X2 + 0,286 X3$$

#### The Effect of Competence (X1) on Job satisfaction (Y1)

Based on the outcome of PLS processing, it is possible to establish that competence significantly and positively affects job satisfaction. The t-statistic value is > 1.96 and 2.774, indicating that the hypothesis is accepted. According to Sianturi's research, competency considerably influences job satisfaction [17].

#### The Effect of Training (X2) on Job satisfaction (Y1)

Based on the outcome of PLS processing, it is possible to establish that training significantly and positively affects job satisfaction. The t-statistic value is > 1.96 and 1.985, indicating that the hypothesis is accepted. Sitompul's research [18] shows similar results that training significantly affects job satisfaction.

#### The Effect of Career Development (X3) on Job satisfaction (Y1)

Based on the outcome of PLS processing, it is possible to establish that career development significantly and positively affects job satisfaction. The t-statistic value is > 1.96 and 2.208, indicating that the hypothesis is accepted. According to Hayati's research [19], career development has a significant impact on job satisfaction.

#### The Effect of Job satisfaction (Y1) on Employee Performance (Y2)

Based on the outcome of PLS processing, it is possible to establish that job satisfaction significantly and positively affects employee performance. This can be seen in the t-statistic value of > 1.96, which is 25,670, so the hypothesis is

accepted. Job satisfaction has a significant impact on worker performance, according to Harahap's research [5].

## IV. CONCLUSIONS

According to this study, competence has a considerable impact on job satisfaction, as does training, career growth, and job satisfaction. Positive results were achieved for all four factors. Job satisfaction is positively impacted by competence by 0.429. Training has a positive influence on job satisfaction of 0.233, career development has a positive impact on job satisfaction of 0.331, and job satisfaction has a positive impact on employee performance of 0.865. As a result, the final equation produced from the exogenous and endogenous variable relationship model is  $Y2 = 0,371 X1 + 0,202 X2 + 0,286 X3$ .

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