

# Transforming the Workforce: Integrating Internal Marketing Orientation and Business Strategy in Training and Development Programs

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**Abstract.** This paper shows that despite the improvement in technical ability of employees at PT. KAS Morowali, Central Sulawesi, human resource training and development program is also able to strengthen the ties among employees and between the employees and company in addition to improve employees' understanding of the company's business strategy. Allowing the employees to cooperate more with the company and have a better understanding of business strategy, they are able to complete their tasks more effectively and efficiently and collaboratively achieve company's goals. Integrating internal marketing orientation in training and development programs, employees will be more aware of their significant existence and contributions to the company.

**Keywords:** *human resource training and development, business strategy, internal marketing orientation.*

## INTRODUCTION

Managing people in organizations is a complex and complicated challenge. The company is required to serve employees to allow them maximize their potentials. This in line with the mission of 'internal marketing' [1], [2], [3]. Leader of a company needs full involvement from every employee, who are the actual actors in the implementation of a successful strategy. The philosophy of internal marketing shows the need of organizations to focus on the needs and desires of employees since the strengths of companies will largely depend upon harmonious relationship built with their own employees. Employees must feel involved in the company, as part of the company, and even as the owner, so that the sense of ownership will lead to improve work behavior because they do not want the company to fail in realizing its business strategy. It can be said that the ultimate aim of internal marketing is to ensure the employees feel that management cares about their needs, thus, successful application of internal marketing practices will then be translated into employees' positive attitudes toward their work which will further facilitates superior performance of the firm [4]. Since HR and Marketing Departments in

modern organizations are 'required' to collaborate more as both focus on 'people issues', HR training and development programs are no longer an additional element of achieving organizational performance. The skills and abilities of employees must be in line with business strategy requirements [1].

Employee performance identifies the success of companies. To reach the optimal results, employee performance should be enhanced to fit the need and demand of current business environment. As one strategy to improve organizational performance, companies need to design training and development programs that not only improve employees' knowledge relate to their duties, but also must facilitate employees to understand the company's business strategy. The formation of 'professional' human resources in carrying out their work can be considered as a spearhead of the internal marketing because it focuses on increasing employees' value, which strengthens the strong relationship between the company and employees and to ensure that company cares of employees' needs. This can be translated into positive attitudes towards employees' works that lead to the improvement of the company's superior performance. To achieve this, HR training must be future-oriented and designed to increase employees understanding of the direction and goals of the company's business strategy.

'That well-designed trainings are impactful and important as continuous learning and skill development are now a way of life in modern organizations. To remain competitive, organizations and countries must ensure that their workforce continually learns and develops. Training and development activities allow organizations to adapt, compete, excel, innovate, produce, be safe, improve service, and reach goals' [5].

HR training is expected to build employee skills in accordance with their respective fields and should be integrated in company policy. Yet, it has to be 'systematic and flexible to adapt to business needs' [6]. The implementation of these policies is in line with the readiness for change of HR Division so that they can design the types of training according to the demands and

needs of both internal and external companies. This is an attempt to answer the challenges of the global era which increasingly emphasizes the need for the formation of organizational competitive advantages and efforts to meet consumer's needs that are tailored to the company's business models and strategies [7], [8].

*PT. Kinarya Alam Semesta (PT. KAS)* is a private company in Morowali Regency with a business focus on  $\pm$  15,000 ha of oil palm plantations spread across the district of *Wita Ponda, Bumi Raya, Bungku Barat, and Bungku Tengah*. So far, the company has gained positive impacts on the implementation of training and development for its employees. But there are still some aspects that need improvement, both in managerial and non-managerial terms. Company needs the proper HR management strategy to achieve optimal work results. The workers must be able to understand their works and carry out their duties in accordance with their competencies. The low understanding of workers about this will cause long-term losses to the company, which in turn also affects the level of employees' welfare. To avoid this, a system is needed to hone personality by integrating internal marketing orientation in HR development since it considers employees as internal customers and emphasizes the use of information systems that are open for the entire organization [2].

Training as an overall activity to give, obtain, improve, and develop work competencies, productivity, discipline, attitudes, and work ethic at a certain level of skill and expertise in accordance with levels and qualifications of positions and jobs [9], [10], [11], [12]. This definition indicates effort to improve the quality of human resources to obtain better work results. HR training and development activities are one of the efforts carried out by the organization to obtain good quality workforce and able to fulfill job qualifications [13], [14]. In other words, through increasing knowledge, skills, and attitude, HR training and development activities expected to have significant impacts on individuals, teams, and overall performance of the company [15]. In this sense, employees are not only assets in the passive sense, but assets that are valuable and should be developed according to their potentials [16]-[17]. The training specifically provides directed benefits in improving the capabilities and expertise of employees related to their current positions or functions [18].

In addition to training, the development program is an effort to improve employee competence both in the individual and team level. Competency-based HR development is a formal activity to improve the ability of employees to carry out current work as well as to 'build connections with other parties and internally, strengthen relationships within coworkers [19]. Competence shows skills, knowledge, attitudes, personal characteristics, and the desire to improve employee skills technically, theoretically, conceptually, and morally according to the needs of the task through training and development of taskforce [20]. In addition, development programs can also prepare individuals to assume different or higher

responsibilities in companies, organizations, institutions or educational institutions [21], [22], [23].

The target of implementing the development program concerns the broader aspects of increasing the ability of individuals to anticipate the unplanned or planned changes effectively and efficiently in accordance with the needs and capabilities of the organization and the characteristics of employees [9]. Thus, it can be said that training and development carried out indoors and outdoors is expected to change the behavior of individuals towards their work, both in terms of attitudes, knowledge, and abilities, or hard skills and soft skills [24]. Strategic behavior of employees who have a better understanding of business strategies will make a positive contribution to the company's strategic goals [25]. Therefore, HR development programs that are aligned with the company's efforts to win the competition through the design of effective business strategies need to be carried out continuously.

This article offers a different perspective from the conventional approach, which emphasizes that HR training and development activities are solely useful at the individual level and do not have a connection with the company's business strategy. It shows that the learning process in the HR training and development program is able to integrate the understanding of employees that as human beings with superior resources, who not only have the knowledge and skills but also they need to build 'strong characters' and competitiveness. Employees as subjects in internal marketing have strategic value as human capital. This contributes greatly to the formulation of competitive business strategies to help companies sharpen their competitive advantage in mastering the local and global markets.

## METHOD

This study is carried out at *PT. Kinarya Alam Semesta (PT. KAS)* located in the district of *Wita Ponda, Bumi Raya, Bungku Barat and Bungku Tengah*, Morowali Regency. Informants include HR staff and employees who have participated in training and development programs. Data is collected through observation, in-depth interviews and documents. Results are described in descriptive qualitative approach.

## RESULT

The study identifies steps taken by *PT. KAS* in performing training and development programs: 1) Determination of needs. In this case, the company first determines its needs and members. In determining training needs, the company overviews the characteristics of its employees based on their duties and level of knowledge. In other words, organizational and task analysis will direct the company in determining the focus of training and participants. Personal analysis is carried out to determine who needs training. Selection of participants in training and development activities should be conducted selectively but not discriminatively. That

is, employee selection in this activity is the results of objective observations based on the work performance and needs of employees regardless their social background or gender. Prior to a placement test, employees are required to undergo the basic skills test, which will determine the content of training materials they need based on their initial abilities; 2) Determination of goals. Some goals of training programs defined clear and concise in accordance with the objectives of the organization. To anticipate the increasingly high level of competition, companies should prepare its HR to maintain its position in the market; 3) Selection of methods. Training methods are based on the needs and capabilities of employees and companies. To streamline the implementation of training and development programs, the company performed in-house training combined with simulation techniques. This allows employees to undergo training and continue to carry out their operational duties, and 4) Evaluation. The final step is to see changes in employee attitudes and behavior after the program. Evaluation also emphasizes the capability of trainers and training method. Training methods such as case studies, simulations, and participative presentations create an active learning atmosphere. Actually, there are behavioral changes in terms of the level of discipline and productivity along with the increase in technical knowledge. Employees are able to work better by building teamwork and developing a work culture that is more oriented towards helping each other with their respective duties.

Moreover, training also concerns with ethos and work ethics. In addition to hard skills, trainings also reinforce soft skills such as creativity, leadership, communication, team collaboration, and risk-taking. The training, which was accompanied by question and answer sessions and direct discussions, provided nuances that enabled the dynamic transfer of knowledge. Employees motivated to foster the spirit of continuous learning and open-mind to have a better perspective on their work and environment.

The positive impacts of the training program and development on employee technical competencies and work behavior reflect significant results in the improvement of company's performance. Internal marketing orientation helps employees and companies to undergo organizational changes incrementally in implementing the principles of work that have been done so far, and looking for better and new working mechanisms so that business strategies can show better results. Therefore, a company, especially a profit-oriented company, is expected to conduct training with methods and contents that can intensify the internal communication process between employees and the company so that synergy is built in achieving the company's goals.

#### CONCLUSION

This article confirms that HR training and development programs can be a means to improve employees' understanding of the company's business

strategy. By integrating internal marketing orientation, the event can improve the character of employees according to the company's goals. The analysis of the article emphasizes two benefits of training and development program: first, it enables employees to convey their responses and aspirations regarding to the accomplishment of their assignment, and second, training and development facilitates behavioral change in the company. The second aspect is a reflection and evaluation of the results of training and development programs. Behavior changes manifest values that are taught and developed during training and development activities. In this case, a company can identify the paradigm shift and work behavior of employees before and after training, both in technical and non-technical aspects.

Employees experience behavioral improvement because they have a better understanding of the company's business strategy in facing business competition and future demands. In addition to increasing knowledge about the implementation of work, the employees also experience an improvement in work ethics, which leads to changes in perceptions of the nature of work. Employees increasingly understand their work and have high enthusiasm to work better. A study of [26] emphasizes the impact of business strategy on the business results. It suggests the need of companies to:

'...adopt the strategies according to their needs and requirement of the personnel and the companies, which focus on training can achieve their objectives at a better level and their performance increases; thus they are able to achieve competitive advantage on other firms and businesses' (p. 74).

After training, employees are able to understand more of the intricacies of their work, development of the company, goals to be achieved by the company, the need for teamwork, company's difficulties, policies and regulations applied in the company, the systems and procedures used in carrying out company duties, and apply the behavior that supports and is demanded by the company, as well as to conduct relationships with the environment.

In other words, the integration of internal marketing orientation in HR training and development program helps employees to have a better understanding on company's business strategy. HR training and development programs with competency-based and on-the-job training methods can synchronize the development needs of resource-based employees as reliable intellectual capital. Training as one of the most important practices of HRM has a different role in achieving organizational goals by incorporating organizational and workforce interests. It is recommended for organizations to provide employee training and priority development to get the best capacity from the workforce and improve organizational performance by adopting the latest training method that aligned with the use of advanced technology.

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