

Analysis of Job Training, Compensation and Engagement on Job Effectiveness

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Abstract—This study was conducted to examine the effect of job training, compensation and engagement to the effectiveness of work at insurance company. Sample used non probability sampling. As for the population in this study are employees of insurance company and the results of the sample used 50. This study uses multiple linear regression method, the test is done by Test F and Test t. Data processing is done by using program SPSS. The result of the analysis shows that job training, compensation and engagement have significant influence to the effectiveness of employee's work either simultaneously or partially.

Keywords: *job training, compensation, engagement, job effectiveness*

I. INTRODUCTION

Based on BPS data on the growth of insurance business in Indonesia is very rapid in the last 3 years where the insurance business rose by 10-30%, meaning that the number refers to the development of the rapidly expanding insurance industry. The development of life insurance has a significant role to support national development. This can be seen from the contribution of insurance companies in terms of long-term funds, as funds in government development projects.

In Indonesia there are several foreign life insurance companies that sell life insurance products such as PT. Allianz, Prudential, and Manulife. The companies that have their own market in selling their products but they compete also strictly in consumers. This can be seen from the results of their report cards.

According to Law (Number 2 of 1992) "Insurance or insurance agreements between parties, with the insurer binding itself to the insured, by accepting insurance premiums to provide compensation to the insured due to loss, damage or loss of expected profits, which may be suffered by the insured, which is uncertain about events, or provides a payment based on death or life of someone insured" [1].

The definition of insurance according to the Commercial Law Act Article 246 is: "Insurance or insurance is an agreement, with which an insurer ties himself to the insured by receiving a premium, to provide compensation to him because of a loss, damage, or loss of expected profits, what might happen because of an unspecified event. "Life insurance what can be insured is the ability to earn income after experiencing

disaster/retirement, the cost of hospitalization/treatment, future education costs and the cost of paying off bank collateral or credit.

The phenomenon that the researchers found in this study is that there are problems in the effectiveness of employee work, where employees are less effective in utilizing their time at work. Employees are assigned to sell ALP to customers, contact and make appointments to meet, but this is not done as it should and more stays in the office doing other things and not making sales. Because of the ineffectiveness of work results in not achieving the company's targets and adversely affecting the company's performance. As for the causes of ineffectiveness of work, among others, most employees lack product knowledge, many are not interested in increasing their knowledge, especially product knowledge such as seeking information about products and most employees often attend meetings or Monday Making Money implemented by companies. every Monday, so it becomes an obstacle during marketing because it is weak in product knowledge, where the employee cannot convince the customer to buy the product (policy) and ultimately cannot do the transaction or fail in selling the product. In addition, many employees play at the point of a safe zone and do not do work effectively, for example, monthly targets to contact 50 customers. It turns out that employees only contact 10 customers because the customer can cover the costs of the remaining customers and is not interested in increasing their target achievement. In addition, the employees feel lack of attachment to work with the company, because the provision of compensation is based solely on the percentage of sales and are not given basic salary or other benefits that can motivate employees to work. In addition, many employees have an unclear status or freelance employees. the existence of attachments, a sense of belonging and responsibility towards the company more and more thinking about the progress/development of the company. The lack of product knowledge is due to a lack of training conducted by the company or no training program planning. Knowledge obtained by employees is not in the form of programmed training but rather in the practice carried out in the field dealing directly with the customer with the supervision of the leader.

Giving compensation is a way for companies to appreciate the work of their employees. Hasibuan describes the definition of compensation as everything, income that can be in the form

of cash, goods that are given by the company either directly, or not, obtained by employees [2].

II. LITERATURE REVIEW

A. Human Resources Management

According to Sofyandi defines it as a strategy in implementing management functions namely planning, organizing, leading and controlling, in every HR operational activity or function starting from the process of withdrawal, selection, training and development, placement which includes promotion, demotion and transfer, performance appraisal, compensation, industrial relations, to termination of employment, aimed at increasing the productive contribution of organizational human resources to achieving organizational goals more effectively and efficiently [3].

B. Job Training

Training activities provide dividends to employees and companies, in the form of expertise and skills which will then be a valuable asset for the company. Training is conducted in the short term, in this case there is a category of training, namely training for prospective employees which are often called "pre-service training" and training for employees who have worked is called "In-Service Training" Training is very important for new employees and employees who It is been a long time. Training is the process of systematically changing employee behavior to achieve organizational goals, besides that training is also related to the expertise and ability of employees to carry out their work [4]. According to Sutrisno, states that training is a part of education that involves the learning process to acquire and improve skills outside the applicable education system in a relatively short time and with methods that prioritize practice rather than theory [5]. Nasution suggests that training is a teaching and learning process using certain techniques and methods to improve one's skills and work abilities [6].

C. Compensation

Compensation is an important function in human resource management. Because compensation is one of the most sensitive aspects of work relationships. Cases that occur in work relationships contain compensation problems and various related aspects, such as benefits, compensation increases, compensation structures, and compensation scales. The compensation system helps in strengthening the organization's key values and facilitates the achievement of organizational goals.

Panggabean argues that compensation is any form of reward given to employees as remuneration for the contributions they make to the organization [7].

D. Work Engagement

Work engagement or what is often called engagement according to Schaufeli and Bakker defines work engagement as a positive state of mind related to work characterized by vigor, dedication, and absorption [8]. Vigor is characterized by high levels of energy and mental flexibility at work, the desire to

invest effort in work, and remain steadfast despite facing various difficulties; dedication refers to strong involvement in work and experiencing a sense of importance, enthusiasm, and challenge to work; absorption is characterized by concentrating fully and feeling engrossed in the work, so that time seems to pass quickly and it is difficult to get away from work. In short, bound employees have a high level of energy and are enthusiastic about their work.

Marciano defines employee engagement as an area where a person is committed, dedicated and loyal to the organization, supervisor, work and colleagues [9]. This is shown by passion and enthusiasm for work, consistently exceeding goals and expectations, bringing new ideas in work, taking initiative, wanting to know, encouraging and supporting team members, optimistic and positive, persevering in overcoming obstacles and staying focused on the task, trying actively develop yourself, others and businesses and commit with the organization.

E. Work Effectiveness

Some experts put forward the notion of effectiveness, namely as follows: According to James L. Gibson in Pasolong, effectiveness is the achievement of goals showing the degree of effectiveness [10]. According to Keban said that an organization can be said to be effective if the organization's goals or values as set out in the vision are achieved [10].

Effectiveness is doing something right. Something organization goods can be efficient but not effective in approaching achieving organizational goals. The closer the organization aims, the more effective the organization will be [11]. In the opinion of Stephen, effectiveness is to carry out activities that directly help organizations achieve various goals [12].

F. Conceptual Framework

The conceptual framework in this study can be described as follows:

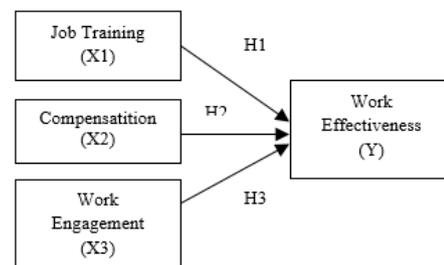


Fig. 1. Conceptual framework.

G. Hypothesis

Based on the background of the problem, the formulation of the problem, and the conceptual framework that has been presented, the hypothesis in this research are:

- H1: Job Training has an effect on Work Effectiveness
- H2: Compensation has an effect on Work Effectiveness
- H3: Work Engagement affects the Work Effectiveness

III. RESEARCH METHODOLOGY

The object of this research is PT. Allianz Indonesia, the analysis unit is employees of PT. Allianz Indonesia. Methods of this study surveyed methods to examine respondents' perceptions [13]. The study population was all employees of PT X as many as 50 employees and determination of samples with saturated sample techniques. Sampling technique using simple random sampling technique, the instrument used in this research is a questionnaire. Data is sourced from secondary data and primary data. Before collecting data through respondents, the questionnaire has been tested for validity and reliability, until all questionnaires are valid and reliable.

The analytical method used is the quantitative analysis method with Multiple Linear Regression analysis, with an error tolerance level of 5% (0.05) and a tool for processing data with the SPSS 21 application. Multiple Linear Regression Analysis can only be done if it has met the criteria and conditions of classical assumptions such as the normality test, multicollinearity test, heteroscedasticity [14]. The Multiple Linear Regression equation is $Y = a + b_1.X_1 + b_2.X_2 + b_3.X_3 + e$. Where: Y= yyyyy; a=constant; b1= Regression coefficient of X1; b2= Regression coefficient of X2; b3= Regression coefficient of X3; X1=xxxxxx; X2= xxxxxx; X3= xxxxxx; e=error / other factors.

Multiple Linear Regression Analysis is continued with Determination (R Square) analysis to show the extent to which the independent variables (X1, X2 & X3) are able to explain and contribute to the dependent variable (Y). Then followed by partial hypothesis testing (t-test), simultaneous hypothesis test (F test) and continued with correlation analysis between dimensions. The hypothesis test criteria are as follows:

- If t count > t table means that the independent variables (X1, X2 & X3) affect the dependent variable (Y) partially. If alpha (significant level) <0.05 means that the independent variable (X1, X2 & X3) has a significant effect on the dependent variable (Y) partially; and
- If F count > F table means independent variables (X1, X2 & X3) have an effect on dependent simultaneously and if alpha (significant level) <0.05 means that the independent variables (X1, X2 & X3) have a significant effect on dependent variables (Y) simultaneously.

IV. FINDINGS AND DISCUSSION

A. Multiple Linear Regression Test Results

TABLE I. MULTIPLE LINEAR REGRESSION TEST RESULTS

Model		Coefficients ^a			t	Sig.	Collinearity Statistics	
		Unstandardized Coefficients		Standardized Coefficients			Tolerance	VIF
		B	Std. Error	Beta				
1	(Constant)	-.585	.273		-2.144	.037		
	X1	.476	.101	.368	4.728	.000	.353	2.832
	X2	-.073	.036	-.096	-2.030	.048	.966	1.035
	X3	.683	.083	.641	8.187	.000	.350	2.856

^a Dependent Variable: Y

Source: Results of SPSS data processing

Based on the results of data processing using SPSS 21 in Table 1 above it can be obtained the formulation of multiple linear regression equations for independent variables (job training, compensation, work engagement) on the dependent variable (work effectiveness) as follows:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + e$$

$$Y = -0,585 + 0,476X_1 - 0,073X_2 + 0,683X_3 + e$$

From the mathematical equation, multiple linear regression can be concluded as follows:

- The constant of -0,585 is the intersection of the regression line with the Y-axis which shows the work effectiveness of the employees of PT. Allianz Life Indonesia when the independent variables, namely job training (X1), compensation (X2) and work attachment (X3) are equal to zero (0).
- Job training variable (X1) has a positive regression coefficient, meaning that if the work training variable (X1) increases by one unit then the work effectiveness of PT. Allianz Life Indonesia will increase by the

regression coefficient value of 0.476 assuming other independent variables remain.

- The compensation variable (X2) has a negative regression coefficient, meaning that if the compensation variable (X2) decreases by one unit, the work effectiveness of the employees of PT. Allianz Life Indonesia will increase by the regression coefficient value of -0.073 assuming other independent variables remain.
- Work attachment variable (X3) has a positive regression coefficient, meaning that if the work attachment variable (X3) increases by one unit, the work effectiveness of PT. Allianz Life Indonesia will experience an increase of the regression coefficient value of 0.683 assuming other independent variables remain.

B. Hypothesis Test Results

1) *Determination coefficient test (R²):* This coefficient of determination is used to know how much the independent variables have an influence on the dependent variable. The

coefficient of determination is used adjusted R square. Can be seen in the following table 2.

TABLE II. DETERMINATION COEFFICIENT TEST (R2)

Model Summary ^b					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	
1	.949 ^a	.901	.895	.1746622764	1.540

^a Predictive: (Constant), X3, X2, X1

^b Dependent Variable: Y

Source: Results of SPSS data processing

In Table 2 the results of the coefficient of determination or the value of Adjusted R square (R2) is 0.895 or 89.5%. It can be concluded that Variable Job Training, compensation, and work attachments have a contribution of 89.5%, meaning that the remaining 10.1% are influenced by variables others in this study.

2) *Test the accuracy of the model (Test F Statistics):*

Based on Table 2 it is known that the results of the coefficient of determination (adjusted R2) of 0.895, which means 89.5%, which means that the contribution of work effectiveness can be explained by the three independent variables, namely work training, compensation and work engagement. So the rest of 10.5% (100% -89.5%) is explained by other variables not examined in this study. The F statistical test shows whether the independent variable referred to in the model has a joint

effect on the dependent variable. The results of the F statistical test can be seen in the following table 3.

TABLE III. TEST MODEL ACCURACY RESULTS (TEST F STATISTICS)

ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	12.824	3	4.275	140.120	.000 ^b
	Residual	1.403	46	.031		
	Total	14.227	49			

^a Dependent Variable: Y

^b Predictors: (Constant), X3, X2, X1

Source: Results of SPSS data processing

Based on Table 3, it can be seen that the probability value of sig 0,000 means that the probability value is smaller than 0.05, the model is accepted, so it can be concluded that job training, compensation and work attachments jointly influence work effectiveness.

C. *Partial Significance Test (T-Test)*

The t statistic test basically shows how far the influence of one explanatory variable or independently individually explains the variation of the dependent variable. Decision making can be done by looking at probability. If the probability/significance > 0.05 then Ho is accepted and Ha is rejected and if the probability/significance is <0.05 then Ho is rejected and Ha is accepted.

TABLE IV. PARTIAL SIGNIFICANCE TEST (T-TEST)

Model		Coefficients ^a							
		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics		
		B	Std. Error	Beta			Tolerance	VIF	
1	(Constant)	-.585	.273		-2.144	.037			
	X1	.476	.101	.368	4.728	.000	.353	2.832	
	X2	-.073	.036	-.096	-2.030	.048	.966	1.035	
	X3	.683	.083	.641	8.187	.000	.350	2.856	

^a Dependent Variable: Y

Source: Results of SPSS data processing

From the table 4, the following conclusions can be drawn:

1) *Job training hypothesis test on work effectiveness:*

Based on Table 4 the probability of sig Work Training of 0,000 is smaller than 0.05, so Ho is rejected and Ha is accepted, then it can be stated partially job training (X1) has a significant effect on work effectiveness (Y).

2) *Compensation hypothesis test on work effectiveness:*

Based on Table 4 the probability of sig Compensation is 0.048 smaller than 0.05, so Ho is rejected and Ha is accepted, it can be stated partially compensation (X2) has a significant effect on work effectiveness (Y).

3) *Hypothesis test of the effect of work engagement on work effectiveness:* Based on Table 4 the probability of sig work attachment of 0,000 is smaller than 0.05 so that Ho is rejected and Ha is accepted, then it can be stated partially work engagement (X3) has a significant effect on work effectiveness (Y).

V. RESULTS

A. *The Effect of Job Training on Work Effectiveness*

Based on the results of t-test calculations show the results of the value of t count of 4.728 and a significance value of 0.000 smaller than 0.05. So it can be concluded that the job training variable has a positive and significant effect on the work effectiveness of PT. Allianz Life Indonesia. This shows if job training is given to employees by PT. Allianz Life Indonesia is right, it will improve and influence work effectiveness. This is consistent with the results of a study conducted by Pinem [15] that job training has an effect on employee work effectiveness. Based on the results above, it can be concluded that if work training can be implemented properly, the effectiveness of work will increase.

B. *The Effect of Compensation on Work Effectiveness*

Based on the results of the t-test calculation shows the results of the value of t count of -2,030 and a significance value

of 0,048 greater than 0.05. So that it can be concluded that the compensation variable has a negative and significant effect on the work effectiveness of PT. Allianz Life Indonesia. This shows that if the compensation given to employees is low or inappropriate then it will affect the work effectiveness of the employees of PT. Allianz Life Indonesia. This is in accordance with the results of research conducted by Pinem [15]; Rusby and Edistanur [16] that compensation has a positive and significant effect on employee work effectiveness. Based on the results above, it can be concluded that if the compensation program gets better, the effectiveness of work will increase.

C. The Effect of Work Engagement on Work Effectiveness

Based on the results of the t-test calculation shows the results of the t-count value of 8.187 and the significance value of 0.000 is smaller than 0.05. So that it can be concluded that the work engagement variable has a positive and significant effect on the work effectiveness of PT. Allianz Life Indonesia. This shows that if the employee is committed, dedicated and loyal to the organization, supervisor, work and colleagues, it fosters enthusiasm and enthusiasm for the work and has an impact on increasing the work effectiveness of the employees of PT. Allianz Life Indonesia. This is consistent with the results of a study conducted by Rachmawati, that work engagement has a positive and significant effect on employee work effectiveness [17]. Based on the above results it can be concluded that if work attachments increase, the effectiveness of work will increase.

VI. CONCLUSIONS

Based on the results of the research and discussion in the previous chapters regarding the effect of job training, compensation and work engagement on the work effectiveness of employees of PT. Allianz Life Indonesia, the conclusions in this study are as follows:

- Based on the results of the partial test (t-test) partially job training has a significant effect on work effectiveness. This means that if training is effective and programmed properly, the effectiveness of work will increase.
- Based on the results of the partial test (t-test) partially compensation has a significant effect on work effectiveness. This means that if the compensation

program is good, the effectiveness of work will increase.

- Based on the results of the partial test (t-test) partially work engagement has a significant effect on work effectiveness. This means that if there is a guarantee of a good future for employees then the effectiveness of work will increase.

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