

The Effect of Career Development and Training on Employee Performance With Compensation As An Intervening Variable At PT. Nagari Bank

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THE EFFECT OF CAREER DEVELOPMENT AND TRAINING ON EMPLOYEE PERFORMANCE WITH COMPENSATION AS AN INTERVENING VARIABLE AT PT. NAGARI BANK

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ABSTRACT

This study aims to determine how big the influence of Career Development and Training on Employee Performance through Compensation as an Intervening Variable at PT. Nagari Bank. The method used is Structural Equation Modeling (SEM) with Partial Least Square (PLS) 3.0, with a total of 310 respondents. The results of data analysis concluded, there was a significant effect of Career Development variables on Compensation. There is a significant effect of the Training variable on the Compensation variable. There is no significant effect of Career Development variable on Employee Performance. There is a significant effect of the training variable on employee performance. There is a significant effect of the compensation variable on the Employee Performance variable. The Compensation variable mediates the relationship between the Career Development variable and the Employee Performance variable. The compensation variable does not mediate the relationship between the training variable and the employee performance variable.

KEYWORDS Career Development, Training, Compensation, Employee Performance



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INTRODUCTION

Human resources have an important role in company activities, because after all the progress and success of a company cannot be separated from the role and capabilities of quality human resources. Employees are people who work in a company or agency and get paid for their services. In a company's operational system, the potential of human resources is essentially one of the assets and plays an important role in achieving company goals.

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Human Resources are seen as a very important organizational asset, because humans are human resources that are always needed in every organizational activity, also have a big contribution in determining the success of an organization. Every organization is always trying to improve employee performance, with the hope that the goals of the organization will be achieved. Therefore companies need to manage human resources as well as possible, various ways will be taken by organizations to improve the performance of their employees, for example through one of them is through career development programs, training, providing appropriate compensation to create a decent and conducive work environment.

The aspect of human resources plays a very important role in an organization or company. Human resources are an integral part of company management, which is one of the determining factors for the company's success in achieving company goals. Employees in a company are not only positioned as a factor of production but rather as a company asset that must be managed and developed. High quality human resources are needed so that humans can perform the role of reliable executors in organizational functions.

Career development is the development of human resources to assume responsibility and develop their careers (Putri & Ratnasari, 2019). Basically career development is a way to realize organizational performance which aims to optimize and increase the effectiveness of the implementation of work by employees who are within the scope of HR management activities (Lisa Bintari, 2018).

Education and Training according to Notoadmodjo (2009:16) in (Cancio da Costa Sina, Tjahjanulin Domai, 2015), defines education and training as an effort to develop human resources, especially to develop intellectual abilities and human personality. The use of the terms education and training in an institution or organization is usually combined in training. According to (Handoko, 2001: 104) in (Felisita, 2016), training is any effort to improve job performance at a particular job that is being responsible or a job that has something to do with work to be effective. Training usually includes learning experiences, planned and designed activities in response to identified needs. Training is intended to improve the mastery of various skills and techniques for carrying out specific, detailed and routine work.

According to Mahsun (2006: 25) in (Angelita Gabriel Wotulo, Greis M. Sendow, 2018) defines performance (*Performance*) is a description of the level of achievement of the implementation of an activity/program/policy in realizing the goals, objectives, mission and vision of the organization contained in *strategic planning* in organization. Performance according to (Torang, 2012) in (Yudha Adhary, 2019) is the quantity or quality of the work of individuals or groups within the organization in carrying out basic tasks and functions that are guided by norms, standard operating procedures, criteria and measures that have been set or that apply in organization.

According to Rivai (2004) in (Afriani, 2021) compensation is something employees receive as a substitute for their service contributions to the company. Compensation according to (Panggabean, 2002: 57) in (Rival Efendi, 2019) is also referred to as an award and can be defined as any form of award given to employees as remuneration for the contribution they make to the organization.

PT. Bank Nagari, is a company engaged in the banking services sector which is a bank owned by the Regional Government of West Sumatra Province, which was founded in 1962. In practice in developing the banking business in West Sumatra, of course PT. Bank Nagari has competitors or competitors, therefore PT. Bank Nagari must also

maintain and improve the performance of its employees or employees so that the company goals that have been set can be achieved. The performance of employees or employees can survive and increase depending on the company in managing career development plans, increasing competence through training programs and also the compensation system in order to create optimal performance.

Based on several previous studies which stated that including research conducted by (Aidah & Ratnasari, 2020), said that at PT. Telekomindo Primakarya career development variables do not have an important role in employee performance, Education variables do not have an important role in influencing employee performance, while communication variables have an important role in influencing employee performance, while the three variables Education, career development and communication affect employee performance.

Further research at PT. Batam Takaful Insurance states that both the partial level of education, training and career development variables, as well as jointly, have no effect on the performance of its employees (Putri & Ratnasari, 2019) .

2 Whereas at Bank SulutGo Pusat in Manado, partially Education and training have no positive and significant effect on employee performance, career development partially has a positive and significant effect on employee performance, partially competence has a positive and significant effect on employee performance, while simultaneously training, career development and competence have a positive and significant effect on employee performance (Angelita Gabriel Wotulo, Greis M. Sendow, 2018) . 2

While in research at PT. Purnama Indonesia Sidoarjo, states that competence has a positive and significant influence on employee performance, career development has a positive and significant influence on employee performance. Furthermore, competency and career development simultaneously have a significant influence on employee performance (Lisa Bintari, 2018) .

In other studies related to compensation, employee performance and job satisfaction at Golden Plaza, Pamekasan Regency, stated that Compensation has an effect on employee performance, Job Satisfaction has an effect on employee performance, compensation has an effect on and Job Satisfaction, Compensation has a positive effect on employee performance with Job Satisfaction as a variable intervening (Dzunnurraien, 2021) .

Other research related to the effect of compensation on employee performance with motivation as an intervening variable in PDAM Malang City, stated the result that compensation has no significant effect on performance, work motivation is not a mediating variable between the effect of compensation on employee performance (Rival Efendi, 2019) .

Another study examining the effect of career development, training and motivation on employee performance at PT. Air Manado states that Career Development partially affects Employee Performance, Training partially influences Employee Performance, Motivation partially does not affect Employee Performance and Career Development, Training and Motivation simultaneously affect Employee Performance (Kaengke & Tewel, Bernhard, 2018) .

Research related to the Application of Education and Career Development on Employee Performance at PT. Indomarco Sukabumi, states that education has a positive and significant effect on employee performance, career development has a positive and significant influence on employee performance and education and career development

have a positive and significant effect on employee performance (Anggraeni, Samsudin, & Sunarya, 2020) .

In other studies related to compensation, employee performance and motivation at PT. Iskandar Indah Printing Textile states that Compensation has a positive and significant effect on the performance of non-permanent employees and Compensation has a direct effect on the performance of non-permanent employees (Andriana, 2019) .

Based on data obtained from internal sources PT. Bank Nagari related to evaluating the performance of human resources through the application of the SMK (Performance Management System) during 2018 to 2021, the results were obtained as shown in the following table:

Table 1
Summary of Employee Performance Assessment PT. Nagari Bank

No	Assessment Year	Average Performance Score	Information
1	2018 year	2.96	C
2	2019 year	2.74	C
3	2020 year	3,18	B (16% have an average value of <3, which is 2.24)
4	Year 2021	3,27	B (14% have an average value of <3, which is 1.65)

Note: The minimum target rating is 3.00 (B) with a minimum value range of 0.00 and a maximum of 4.00

PT. Bank Nagari in 2018 and 2019 is still below the set target. Whereas in 2020 and 2021 on average it will already be at a value above 3.00 but after examining the data these values in 2020 there are still 16% of the value below 3.00 with an average of 2.24 and in 2021 it is still there is an employee value of 14% below 3.00 with a lower average of 1.65. This shows that the value of employees is still far below the target set. The company targets all of these employee scores to be above the value of 3.00.

Based on several previous studies and data sources of employee performance appraisal at PT. Bank Nagari in 2018 to 2021 there are phenomena or problems related to employee performance which are allegedly sourced from various causal factors, some of which are related to employee career development plans set by the bank, implementation of training provided and compensation from the bank to employees. So with this, the authors are interested in researching these phenomena or problems where the authors work and raised the research title for this thesis is "**The Influence of Career Development and Training on Employee Performance with Compensation as an Intervening Variable at PT. Nagari Bank**"

RESEARCH METHODS

This research was conducted at PT. Bank Nagari, with the research title "The Influence of Career Development and Training on Employee Performance with Compensation as an Intervening Variable".

The dependent variable is the variable that is the main focus of the researcher. The nature of a problem is easily seen by recognizing the various dependent variables used in a model. In this study, the dependent variable is: Employee Work (Y).

Population is a generalized area consisting of objects/subjects that have certain qualities and characteristics determined by researchers to be studied and then conclusions drawn (Sugiyono, 2012) in (Yudha Adhary, 2019) .

RESULTS AND DISCUSSION

Based on gender, the respondents in this study were classified as follows:

Table 2
Characteristics of Respondents Based on Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Laki-laki	161	51.9	51.9	51.9
	Perempuan	149	48.1	48.1	100.0
	Total	310	100.0	100.0	

Source: Primary Data (processed)

Table 2 above shows that of the 310 respondents taken as the research sample, there were 161 men (51.9%), and 149 women (48.1%). This shows that the majority of employees who are respondents are male.

Characteristics of Respondents by Age

The results of the frequency distribution of research respondents based on age can be seen in table 3 as follows:

Table 3
Characteristics of Respondents Based on Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	30 s/d 35 Tahun	69	22.3	22.3	22.3
	36 s/d 40 Tahun	106	34.2	34.2	56.5
	41-45 Tahun	83	26.8	26.8	83.2
	46 s/d 50 Tahun	36	11.6	11.6	94.8
	> 51 Tahun	16	5.2	5.2	100.0
	Total	310	100.0	100.0	

Source: Primary Data (processed)

Table 3 above shows that of the 310 respondents taken as the research sample, there were 69 respondents aged 30 to 35 years (22.3%), 36 to 40 years, 106 persons (34.2%), 41 -45 years as many as 83 people (26.8%), 46 to 50 years as many as 36 people (11.6%)

and >51 years as many as 16 people (5.2%). This shows that the majority of employees who are respondents are in the age range of 36 to 40 years.

Characteristics of Respondents Based on Last Education

The results of the frequency distribution of respondents according to their last education can be seen in table 4 below:

Table 4
Characteristics of Respondents Based on Last Education

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	SLTA/Sederajat	9	2.9	2.9	2.9
	DIII	12	3.9	3.9	6.8
	S1	241	77.7	77.7	84.5
	S2	47	15.2	15.2	99.7
	S3	1	.3	.3	100.0
	Total	310	100.0	100.0	

Source: Primary Data (processed)

Table 4 above shows that of the 310 respondents taken as the research sample, there were 9 respondents with the last education in high school (2.9%), 12 D3 people (3.9%), 241 S1 people (77.7%), S2 was 47 people (15.2%) and S3 was 1 person (0.3%). This shows that the majority of the last education on average of employees who are respondents at Bank Nagari is S1.

Characteristics of K Respondents based on Total Income

The results of the frequency distribution of respondents according to the criteria for the amount of income can be seen in table 5 below:

Table 5
Characteristics of Respondents Based on Total Income

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Rp. 7.500.000,- s/d Rp. 10.000.000,-	147	47.4	47.4	47.4
	Rp. 10.000.001,- s/d Rp. 12.500.000,-	59	19.0	19.0	66.5
	Rp. 12.500.001,- s/d Rp. 15.000.000,-	48	15.5	15.5	81.9
	Rp. 15.000.001,- s/d Rp. 17.500.000,-	27	8.7	8.7	90.6
	> Rp. 17.500.001,-	29	9.4	9.4	100.0
	Total	310	100.0	100.0	

Source: Primary Data (processed)

Table 5 above shows that of the 310 respondents who were taken as the research sample, there were a number of respondents whose income was Rp. 7.500.000- up to Rp.

10,000,000, - as many as 147 people (47.4%), Rp. 10,000,001- up to Rp. 12,500,000, - as many as 59 people (19.0%), Rp. 12,500,001- up to Rp. 15,000,000, - as many as 48 people (15.5%), Rp. 15,000,001- up to Rp. 17,500,000, - as many as 27 people (8.7%) and > Rp. 17,500,001, - as many as 29 people (9.4%). This shows that the majority of respondents' average income is Rp. 7.500.000- up to Rp. 10,000,000-.

Characteristics of Respondents Based on Length of Service

The results of the frequency distribution of respondents according to length of service can be seen in table 6 below:

Table 6
Characteristics of Respondents Based on Length of Work

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	10 s/d 15 Tahun	165	53.2	53.2	53.2
	15 s/d 20 Tahun	78	25.2	25.2	78.4
	20 s/d 25 Tahun	38	12.3	12.3	90.6
	25 s/d 30 Tahun	19	6.1	6.1	96.8
	> 30 Tahun	10	3.2	3.2	100.0
	Total	310	100.0	100.0	

Source: Primary Data (processed)

Table 6 above shows that of the 310 respondents taken as the research sample, there were 165 respondents (53.2%) who worked for 10 to 15 years, 78 people (25.2%) from 15 to 20 years, 20 to 25 years as many as 38 people (12.3%), 25 to 30 years as many as 19 people (6.1%), and > 30 years as many as 10 people (3.2%). This shows that the majority of respondents have worked for an average of 10 to 15 years.

Characteristics of Respondents by Work Unit

The results of the frequency distribution of respondents according to the origin of the work unit are shown in table 7 as follows:

Table 7
Characteristics of Respondents Based on Work Unit

No	Unit Kerja	Jumlah Responden	Percent
1	Kantor Pusat	118	38
2	34 Kantor Cabang	192	62
	Jumlah	310	100

Source: Primary Data (processed)

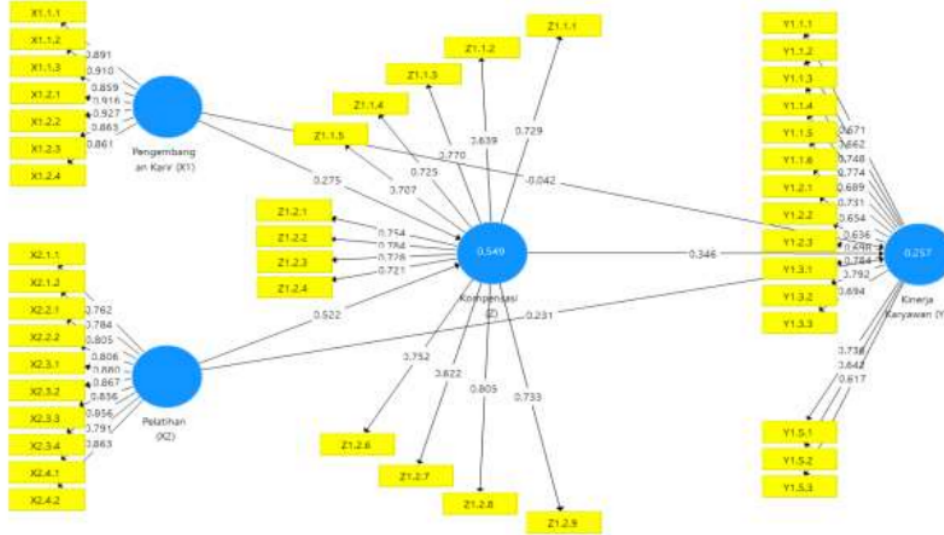
Table 7 above shows that of the 310 respondents taken as the research sample, there were 118 respondents from the head office (38%) and 192 respondents spread across 34 branch offices (62%). This shows that the samples taken in each work unit have filled out and returned the questionnaire so that it can be said that the population has been represented.

Evaluation of the Measurement Model (*Outer Model*)

Outer Loading Factor

Convergent validity of the measurement model can be seen from the relationship between the indicator scores and the variable scores. (F. Hair Ir et al., 2014) Explaining the latent construct of a *loading factor value* of 0.5 to more has a fairly strong validation value. The *outer loading* values for the career development, training, compensation and employee performance variables can be seen in table 4.7 stating that *the loading factor* > 0.6 is suitable for indicators, along with the *loading factor values* for each variable based on the results of the *outer model test* using the SmartPLS analysis tool, as follows:

Figure 1
Outer Model Test Results



Based on the values in Figure 1 above, it shows the *loading factor values* of all the research variable constructs, declared valid or acceptable because of the *loading values factor* > 0.6. Seen in the table below the *loading value factor* of each variable that has fulfilled the requirements:

Table 8
Loading Factor Value of All Research Variable Constructs

No	Variable	Item Code	Loading Factor
1	Employee Performance (Y)	Y1.1.1	0.671
		Y1.1.2	0.666
		Y1.1.3	0.733
		Y1.1.4	0.759
		Y1.1.5	0.692
		Y1.1.6	0.724
		Y1.2.1	0.648
		Y1.2.2	0.632
		Y1.2.3	0.698
		Y1.3.1	0.784
		Y1.3.2	0.787
		Y1.3.3	0.690
		Y1.5.1	0.741
		Y1.5.2	0.642

No	Variable	Item Code	Loading Factor
		Y1.5.3	0.620
2	Career Development (X1)	X1.1.1	0.885
		X1.1.2	0.898
		X1.1.3	0.859
		X1.2.1	0.904
		X1.2.2	0.921
		X1.2.3	0.859
		X1.2.4	0.849
3	Training (X2)	X2.1.1	0.762
		X2.1.2	0.784
		X2.2.1	0.804
		X2.2.2	0.805
		X2.3.1	0.880
		X2.3.2	0.867
		X2.3.3	0.837
		X2.3.4	0.856
		X2.4.2	0.791
		X2.4.2	0.863
4	Compensation (Z)	Z1.1.1	0.724
		Z1.1.2	0.637
		Z1.1.3	0.763
		Z1.1.4	0.720
		Z1.1.5	0.709
		Z1.2.1	0.749
		Z1.2.2	0.787
		Z1.2.3	0.733
		Z1.2.4	0.716
		Z1.2.6	0.756
		Z1.2.7	0.619
		Z1.2.8	0.804
		Z1.2.9	0.735

Reliability and Validity Test

Cronbach Alpha and composite reliability scores were used to assess instrument dependability in this investigation. When estimating *composite reliability*, *Cronbach Alpha* tends to underestimate the reliability of variables with lower *Composite Reliabilities*. (Ridwan, Mulyani, & Ali, 2020). If *Cronbach's Alpha* is more than 0.70, the measurement is considered reliable. According to (Santoso, 2018) the variable is declared reliable if the *Composite Reliability value* is above 0.70.

Table 9
Value Reliability and Construct Validity

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Pengembangan Karir (X1)	0.956	0.957	0.964	0.792
Pelatihan (X2)	0.948	0.949	0.955	0.682
Kompensasi (Z)	0.926	0.929	0.937	0.533
Kinerja karyawan (Y)	0.927	0.931	0.936	0.511

13 *Source: Primary Data (processed)*

Cronbach's Alpha value is more than 0.7 for all research variables, as shown in Table 9 This means, the indicators used in this study can be considered credible. The AVE value is tested by applying a limit of 0.5 to see if it is a valid measure of variation. There are no variables in table 4.8 that have an AVE value lower than 0.50. Thus, all indicators and variables are considered valid.

Discriminant Validity

Correlations between components and other constructs were examined using discriminant correlation tests.

Table 10
Discriminant Validity Value (Discriminant Validity)

	Kinerja Karyawan (Y)	Kompensasi (Z)	Pelatihan (X2)	Pengembangan Karir (X1)
Kinerja Karyawan (Y)	0.704			
Kompensasi (Z)	0.484	0.730		
Pelatihan (X2)	0.449	0.714	0.826	
Pengembangan Karir (X1)	0.341	0.639	0.697	0.890

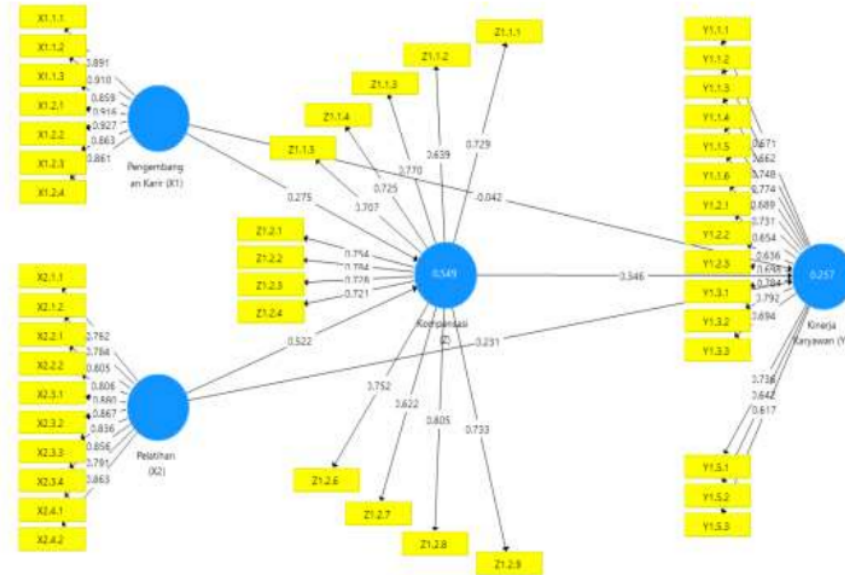
Source: Primary Data (processed)

In table 10 comparing the AVE root values reveals that in this study it has good *construct validity* and *discriminant validity*.

Evaluation of the Structural Model (Inner Model)

Based on the *substantive structural model theory*, *R-Square* can be used to predict the relationship between latent variables and dependent constructs.

Figure 2
Structural Model Diagrams



R-Square (R2)

The predictive power of structural models is measured using the R-Square. The R-Square value is shown in the following figure:

Table 11
R-Square value

	R-Square	R-Square Adjusted
Kinerja Karyawan (Y)	0.257	0.250
Kompensasi (Z)	0.549	0.546

Source: Primary Data (processed)

From the R -Square value in Table 4.10 above, it shows that the R-Square value for Employee Performance (Y) is 0.257 and the R-Square Compensation (Z) value is 0.549. This value indicates that the variables Career Development (X1) and Training (X2) affect the Employee Performance variable (Y) by 25.7% and the remaining 74.3% is driven by other variables outside the variables in this study. Table 4.10 also shows that the variables Career Development (X1) and Training (X2) have an effect on the Compensation variable (Z) by 54.9% and the remaining 45.1% is driven by other variables outside the variables in this study.

Structural Equation

The structural equation is an equation that states the relationship between variables in the existing path diagram, based on Figure 4.3, the equation is obtained as follows:

1. The first structural equation

$$Z = 0,275x1 + 0,522x2 + e1$$

The coefficient value of the influence of the Career Development variable (X1) on Compensation (Z) is 0.275, meaning that if the Career Development value (X1)

increases by 1 unit, while the value of other variables (X2) remains the same, then the value of Compensation (Z) will increase by 0.275.

While the coefficient value of the effect of the Training variable (X2) on Compensation (Z) is 0.522, meaning that if the Training value (X2) increases by 1 unit, while the value of other variables (X1) remains the same, then the value of Compensation (Z) will increase by 0.522.

2. The second structural equation

$$Y = -0,042x1 + 0,231x2 + 0,346z + e2$$

The coefficient value of the influence of the Career Development variable (X1) on Employee Performance (Y) is negative 0.042, meaning that if the Career Development value (X1) increases by 1 unit, while the values of other variables (X2 and Z) remain constant, then the Employee Performance value (Y) will decreased by 0.042.

The coefficient value of the effect of the Training variable (X2) on Employee Performance (Y) is 0.231, meaning that if the Training value (X2) increases by 1 unit, while the values of other variables (X1 and Z) remain constant, the Employee Performance value (Y) will increase by 0.231.

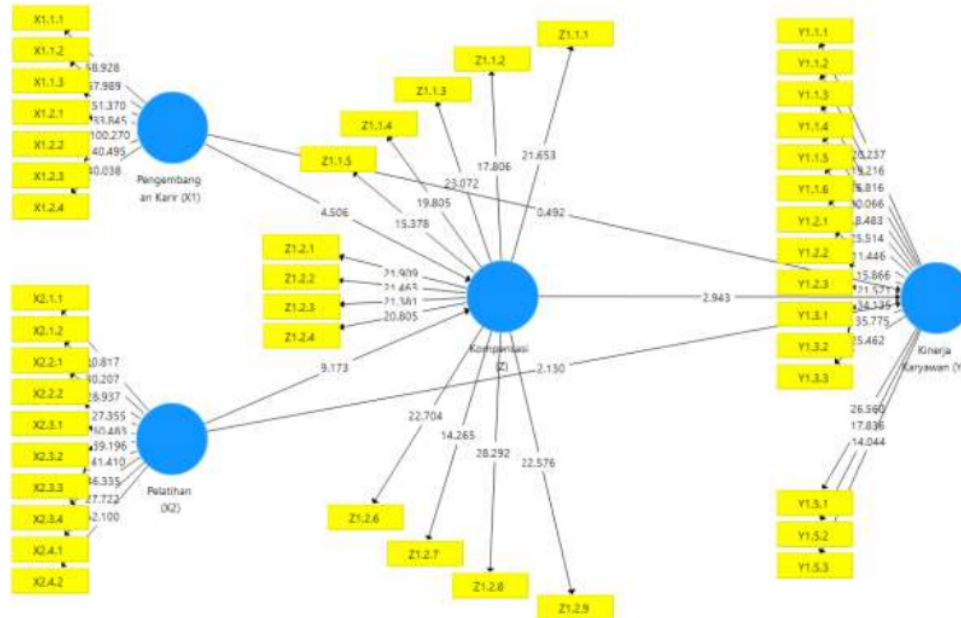
The coefficient value of the effect of the Compensation variable (Z) on Employee Performance (Y) is 0.346 meaning that if the Compensation value (Z) increases by 1 unit, while the values of other variables (X1 and X2) remain constant, then the value of Employee Performance (Y) will increase by 0.346 .

Hypothesis Testing

This structural relationship model was tested to see if it could explain the relationship between research variables. The T-test is used to test *the structural model assumption*. The output image and the value contained in the output *path coefficient and the indirect effect* serve as a basis for testing the hypothesis directly. An explanation of hypothesis testing is given below. The significance value between constructs, t-statistics, and p-values can be used to determine whether a hypothesis is accepted or rejected. For example, rather than relying on statistical assumptions, estimated measurements and standard errors are derived from real data. Ha was accepted and Ho was rejected using the *bootstrap resampling approach* in this study when the significance value of the t value was greater than 1.96 and/or the p value was less than 0.05.

By using PLS (*Partial Least Square*) *bootstrapping* calculations to test the hypothesis. *Bootstrapping* is used to test the hypothesis. Testing with *bootstrap* also aims to minimize the problem of abnormal research data (Rozandy, 2013). Then the output value is obtained as follows:

Figure 3
Hypothesis test diagram Based on *Bootstrapping* value



**Discussion of Hypotheses
 Direct Influence Analysis**

The *Bootstrapping function* can be used to determine whether a hypothesis is accepted or not.

**Table 12
 Path Coefficient Results**

Hipotesis	Hubungan	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistic (O/STDEV)	P Values	Hasil
H1	Pengembangan Karir (X1) -> Kompensasi (Z)	0.275	0.274	0.061	4.506	0.000	Signifikan
H2	Pelatihan (X2) -> Kompensasi (Z)	0.522	0.525	0.057	9.173	0.000	Signifikan
H3	Pengembangan Karir (X1) -> Kinerja Karyawan (Y)	-0.042	-0.037	0.085	0.492	0.623	Tidak Signifikan
H4	Pelatihan (X2) -> Kinerja Karyawan (Y)	0.231	0.236	0.109	2.130	0.034	Signifikan
H5	Kompensasi (Z) -> Kinerja Karyawan (Y)	0.346	0.346	0.118	2.943	0.003	Signifikan

Interpretation of Direct Influence

H1: Career Development on Compensation

The test results in table 12 above can be seen that *t-Statistics* (4.506) > from (1.96), p-value (0.000) < from (0.05), H_a is accepted H_o is rejected, the hypothesis is accepted,

so it can be concluded that Development Career (X1) has a significant influence on Compensation (Z). The original sample value is positive of 0.275 which shows the direction of the relationship between Career Development (X1) and Compensation (Z) is positive.

H2: Training on Compensation

The test results in table 4.11 above can be seen that t -Statistics (9.173) > from (1.96), p-value (0.000) < from (0.05), H_a is accepted H_o is rejected, the hypothesis is accepted, so it can be concluded that the Training (X2) has a significant effect on Compensation (Z). The original sample value is positive at 0.522 which shows the direction of the relationship between Training (X2) and Compensation (Z) is positive.

H3: Career Development on Employee Performance

The test results in table 4.11 above can be seen that t -Statistics (2.130) < from (1.96), p-value (0.623) > from (0.05), H_a is rejected H_o is accepted, the hypothesis is rejected, so it can be concluded Career Development (X1) has no significant effect on Employee Performance (Y). The original sample value is negative of 0.042 which shows the direction of the relationship between Career Development (X1) and Employee Performance (Y) is negative.

H4: Training on Employee Performance

The test results in table 12 above can be seen that t -Statistics (2.522) > from (1.96), p-value (0.034) < from (0.05), H_a is accepted H_o is rejected, the hypothesis is accepted, so it can be concluded that the Training (X2) has a significant influence on Employee Performance (Y). The original sample value is positive at 0.231 which shows the direction of the relationship between Training (X2) on Employee Performance (Y) is positive.

H5: Compensation for Employee Performance

The test results in table 4.11 above can be seen that t -Statistics (2.943) > from (1.96), p-value (0.003) < from (0.05), H_a is accepted H_o is rejected, the hypothesis is accepted, so it can be concluded that Compensation (Z) has a significant influence on Employee Performance (Y). The original sample value is positive at 0.346 which shows the direction of the relationship between Compensation (Z) on Employee Performance (Y) is positive.

Indirect Influence Analysis

To see whether the Compensation variable (Z) is able to mediate the relationship between all exogenous variables to the endogenous variable, namely Employee Performance (Y). The relationship between exogenous variables and endogenous variables through mediating variables in this study can be seen in table 13 below:

Table 13
Specific Indirect Effect Results

Hipotesis	Hubungan	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistic (O/STDEV)	P Values	Hasil
H6	Pengembangan Karir (X1) -> Kompensasi (Z) -> Kinerja Karyawan (Y)	0.095	0.098	0.046	2.088	0.037	Signifikan
H7	Pelatihan (X2) -> Kompensasi (Z) -> Kinerja Karyawan (Y)	0.181	0.180	0.061	2.971	0.003	Signifikan

Interpretation of Indirect Effects

H6: Career Development through Compensation for Employee Performance

The test results in table 4.12 above can be seen that *t-Statistics* (2.088) > from (1.96), *p-value* (0.037) < from (0.05). So that it can be concluded if H_a is accepted and H_o is rejected, which means compensation (Z) capable mediate the relationship between Career Development (X1) on Employee Performance (Y). The Career Development Variable (X1) when mediated by the Compensation variable (Z) is able to significantly influence employee performance (Y), this can be seen from the *original sample value* of the direct effect of the Career Development variable (X1) on Employee Performance by negative 0.042, increasing to 0.095 when mediated by the Compensating variable (Z).

H7: Training through Compensation on Employee Performance

The test results in table 13 above can be seen that *t-Statistics* (2.971) > from (1.96), *p-value* (0.003) < from (0.05), which means that training (X2) has a significant effect on employee performance (Y) mediated by Compensation (Z). however, the *original sample value* of the direct effect of the Training variable (X2) on Employee Performance (Y) is 0.231, when it is mediated by the Compensation variable (Z) the *original sample value* has decreased to 0.181 this explains that the Compensation variable (Z) does not mediate the relationship between training (X2) on employee performance (Y), H_a is rejected H_o is accepted, the hypothesis is rejected.

Discussion of Research Results

The discussion of research results based on the interpretation of the hypotheses in the previous sub-chapter can be explained in the following sub-chapter.

Direct Influence Analysis

The Effect of Career Development on Compensation

Based on the results of the PLS *structural equation model* (SEM) analysis, the results show that career development has a significant effect on compensation. This result implies that the higher the employee's career development, the greater the compensation received.

One indicator on the variable career development is not able to reflect measurements in career development. The indicator is working in several different work units can add insight, knowledge and work experience, although descriptively this indicator has a high measurement value but there are gaps in the field, there are several employees who are in a work unit that has been relatively old and not carried out rotational transfers to other work units as a form of additional insight, knowledge and work experience.

The seven career development indicators used in the measurement model and obtaining answers with the highest weight are the points the company implements development programs such as promotions for each employee. The promotion program

in question is the career management plan for each employee which is regulated in the employee career path guidelines.

Effect of Training on Compensation

The results of the PLS *structural equation model* (SEM) analysis show that training has a significant effect on compensation. This result implies that the more/higher the training received by employees, the greater the compensation received.

Ten indicators of training variables used in the measurement model, all of these indicators can be used as indicators that represent training variables. In this indicator, the highest *loading factor value* is given for the items relevant to job needs. This indicates that any training provided to employees is always adjusted to work needs so that the training can support employees' work. In implementing the training, participating employees are also given compensation in the form of pocket money, accommodation and transport as a form of compensation for participating in the training implementation.

The Effect of Career Development on Employee Performance

Career development has indicators of career planning and career management, from these two indicators there is one question item related to career management that is removed from the model, namely working in several different work units can add insight, knowledge and work experience. Basically this indicator is very relevant related to adding employee insight through employee rotation and mutation plans, but there is a gap in answers between respondents which results in invalid testing of the model so that it is excluded from the model.

Of the seven career development indicators used in the measurement model and obtaining the answer with the highest weight is the item the company implements development programs such as promotions for each employee. The promotion program in question is the career management plan for each employee which is regulated in the employee career path guidelines.

Based on the PLS *structural equation modeling* (SEM) analysis, the results show that career development has no significant effect on employee performance. These results imply that the opportunities or directions for career development do not have a significant effect on employee performance.

The results of this study are in line with previous research conducted by (Felisita, 2016) , (Suci Septia Ningsih, 2019) , (Putri & Ratnasari, 2019) , (Aidah & Ratnasari, 2020) .

Effect of Training on Employee Performance

Based on the PLS *structural equation modeling* (SEM) analysis, the results show that training has a significant effect on employee performance. This result implies that the higher or the more training provided to employees, the more employee performance will be able to improve.

Based on the ten training variable indicators used in the measurement model, all of these indicators can be used as indicators that represent training variables. The indicator that gets the highest *loading factor value* in the given material items is relevant to job needs, this shows that any training provided to employees is always adjusted to work needs so that the training can support employees' work at work and can improve performance.

The results of this study support previous research conducted by (Kaengke & Tewal, Bernhard, 2018) , (Maria Elisabeth Sianturi, 2018) , (Astuti, 2019) , (Suci Septia Ningsih, 2019) , (Yudha Adhary, 2019) , (Erma Catur Raini, 2019) and (Mohd Hafez Bin Abas, 2020) .

Effect of Compensation on Employee Performance

Based on the PLS *structural equation modeling* (SEM) analysis, the results show that compensation has a significant effect on employee performance. These results imply that the higher the compensation provided by the company to employees, the better the employee's performance will be.

Of the fourteen compensation indicator items in this study, there is one question indicator that is not able to reflect the compensation variable, namely the item the company pays for when I am not working, there is a gap in the answers of the research respondents which results in invalid testing of the model so that the item indicators are removed from model.

The thirteen compensation indicators used in the model measurement and obtaining the answer with the highest weight are the company giving me a facility to plan a pension fund. This shows that every employee who works at the company really likes and likes the pension guarantee provided by the company for survival in old age for employees after passing retirement.

The results of this study are in line with previous studies conducted by (Okwudili, B.E, Ogbu, 2017) , (Astuti, 2019) , (Cindrawasih, 2019) , (Ziyaulkhaq Adi Prastyo, 2019) , (Yudha Adhary, 2019) , (Andriana, 2019) , (Mohd Hafez Bin Abas, 2020) and (Afriani, 2021) .

Indirect Influence Analysis

The Effect of Career Development through Compensation on Employee Performance

Based on the results of the PLS *structural equation modeling* (SEM) analysis, the results show that the career development variable, when mediated by the compensation variable, has a significant effect on employee performance. In other words, employee performance will increase if there is good compensation from the company to employees even though career plans and management for employees are still not clear or evenly distributed.

In this study, the compensation provided by companies, whether direct or indirect compensation related to salaries, incentives, commissions, bonuses, social security, compensation, leave, health insurance, life insurance, pension plans and service facilities for employees' financial needs, is able to have an effect better performance for employees even though the implemented career plans and management have not met the expectations of employees.

Effect of Training through Compensation on Employee Performance

In the PLS *structural equation modeling* (SEM) analysis, the results show that the training variable mediated by the compensation variable has a significant effect on employee performance, although statistically processing of the data yields that compensation does not mediate the relationship between training and employee performance.

The training provided to employees by the company is appropriate and relevant to the job, the material presented is updated with current developments in the banking industry with methods that are easily understood by employees to be able to motivate and improve the abilities or capabilities of employees at work.

CONCLUSION

Based on the results of the analysis and discussion, the conclusion of this study is that career development has a significant effect on compensation at PT. Nagar Bank. Training has a significant effect on compensation at PT. Nagar Bank. Career development has no significant effect on employee performance at PT. Nagar Bank. Training has a significant influence on employee performance at PT. Nagar Bank. Compensation has a significant influence on employee performance at PT. Nagar Bank. Compensation mediates the relationship between career development and employee performance at PT. Nagar Bank. Compensation does not mediate the relationship between training and employee performance at PT. Nagar Bank.

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