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# The Adoption of Training, Job Rotation and Compensation on Employee Performance

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# ABSTRACT

The purpose of this study is to determine the influence of training, job rotation and compensation on employee performance. This research was conducted at BAZNAS (National Amil Zakat Agency) Riau Province as case study. The quantitative approach was applied to 36 samples in this study using the saturated sample method (census). In order to analyse the data, the multiple linear regression analysis was executed. As a result, the training and work rotation provide a positive and significant influence instead of compensation with insignificant effect on employee performance.

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#### INTRODUCTION

In the context of global competition, organisations must enhance their operational efficiency and effectiveness. Intensifying competition necessitates that organisations need to enhance their competitiveness to ensure their survival. Organisations assemble individuals, commonly identified as employees or human resources, to execute organisational activities. Employees serve as the critical component in influencing the dynamic interactions within an organisation. To achieve organisational goals, it is essential to have employees who align with the organization's requirements and are capable in executing the tasks assigned by the organisation. Organisations consistently seek to enhance the employee performance and aiming to achieve their overarching goals. Employee capabilities are demonstrated through performance thus the optimal performance achievement indicates of outstanding organizational performance. Employee performance serves as a critical asset for the organisation in attaining its objectives.

Kasmir (2016) defines performance as the working achievements and work behaviour demonstrated in the completion of assigned tasks and responsibilities within a specified timeframe. From the aforementioned perspective on performance, it ought to be concluded that performance represents the output generated by an individual or a collective group. Achieving maximum performance necessitates the implementation of several critical aspects by the agency or organisation. Agencies must assess their employees to determine if there has been an improvement in performance or a decline. Consequently, the agency is able to identify the necessary actions required to enhance performance, which aligns with the established goals and objectives. The steps required by the agency to achieve organisational goals involve assessing the impact of training, job rotation, and compensation on employee performance.

Training is short-term education that is usually more focused on practices that are useful for improving employee performance and for reducing errors on the job (Sudaryo et al., 2018). Training can also help increase employees' motivation and confidence, which can also have a positive impact on their performance. Conversely, lack of training or inappropriate training can hinder employee performance. It can be concluded that without the necessary knowledge and skills, employees may face difficulties in completing their tasks, which can reduce work productivity and efficiency. So the relationship between performance and training is interrelated and important to the success of an organization or agency. Proper training can be a valuable investment for the organization in achieving optimal performance.

Employee performance can also be improved by doing the right job rotation for employees. Rotation is the transfer of positions from one job to another with the aim of building and improving the competence of the employee concerned so that he is able to understand each job in the company environment properly (Fahmi, 2017). Proper job rotation can improve employee performance by giving them broader experience in various areas or departments within the organization. Thus, employees become more

skilled and flexible, able to face various challenges in their work. Job rotation can help prevent burnout and increase employee motivation. By moving between tasks, employees have the opportunity to constantly learn new things and face new challenges, which can improve their job satisfaction and performance. However, too frequent or unstructured job rotations can be detrimental to employee performance. If employees are moved from one task to another too often without getting enough stability or development, it can impacts to their productivity and quality of work.

The connections between performance and compensation in human resource management is significant and intricate. Compensation is a remuneration provided by the organisation to its personnel, encompassing both monetary and non-monetary forms (Kasmir, 2016). Compensation, encompassing salaries, allowances, incentives, and other perks, is frequently regarded as a significant motivator for employees to enhance their performance. Equitable and sufficient remuneration might incentivise employees to enhance their performance. Employees are more inclined to meet targets or performance criteria when they believe their efforts will be compensated appropriately. Performance-based remuneration can foster constructive competition among employees and motivate them to exert greater effort to attain superior outcomes. Performance-based compensation systems, such performance bonuses or salary increments contingent upon target attainment, can incentivise employees to operate with greater efficiency and effectiveness.

Performance is a critical factor, as the achievement of organisational goals relies heavily on it. Without adequate performance, expected outcomes may not be realised. High performance is contingent upon the influence of human factors. Performance refers to the assessment of the degree of success or failure in executing the primary tasks and functions of the organisation, aimed at achieving its goals, objectives, vision, and mission. To assess employee performance, the organisation must implement various components that serve as performance measurement tools. These components include quality, quantity, timeliness, effectiveness, independence, and commitment. If the organisation identifies a decrease in the aforementioned performance components, it is imperative to promptly investigate the underlying factors contributing to this decline.

BAZNAS Riau Province offers numerous training platforms. It is observed that certain training programs remain unutilised or are not implemented to their full potential. Results from interviews conducted with the head of Human Resources and General Affairs indicate that certain employees have yet to implement training to enhance performance. This situation is attributed to various factors, including the workers' age. The workers whose age on 50 and above commonly encounter challenges in comprehending technological advancements thus resulting in training initiatives failing to fulfil their intended purpose of enhancing effective and efficient performance. There are employees who have not demonstrated the capability to align their work with the organization's objectives, particularly in operating a computer. This indicates that some employees still rely on their colleagues to perform certain tasks, especially those involving

gadgets or computers. This lack of proficiency can lead to a decline in the overall quality of work within the organisation. The implementation of physical training, specifically disaster response training by BAZNAS Riau Province, faces challenges due to unfavourable physical conditions.

In addition to the training section, another factor that influences performance is job rotation. Enhancing the efficiency and effectiveness of performance necessitates organisational development, with one method development being job rotation. This work rotation presents a novel experience for employees. However, a significant number of employees at BAZNAS Riau Province have not successfully executed the newly assigned tasks. The introduction of new jobs has not resulted in an enhancement of employees' abilities and skills, as they remain reliant on their existing competencies. Employees transferred to new positions are required to acquire and develop skills or abilities that were previously unfamiliar to them. This is designed to enhance employee performance in the execution of their tasks. Consequently, policies should be founded on precise data and information pertaining to individual performance. It is essential to implement socialisation processes to ensure that employees are adequately prepared for new job positions. Additionally, it is important to recognise that job rotation should be aligned with the competencies of the respective employees.

The next factor that affects employee performance is compensation. Compensation is a reward given by the company to its employees, both financial and non-financial in nature (Kasmir, 2016: 233). Compensation planning or determination is a crucial aspect of human resource management and requires careful attention. Compensation is used as a means to achieve the company's strategic goals due to its' potential in influencing the employee behavior. Expenditure on compensation represents a considerable financial obligation for the agency, necessitating meticulous management. When an employee engages in work, they contribute their thoughts, energy, and time towards the attainment of organisational objectives. Employees anticipate receiving compensation, whether monetary or in alternative forms, as recognition for their performance. Compensation serves as a motivating factor for employees, influencing their performance and productivity levels.

# **METHODOLOGY**

In this study, the type of data used by researchers is quantitative data. The response in this study was given in the form of responses to a questionnaire. As for the data sources, they are included in primary and secondary data. The location in this research is the Riau Province BAZNAS Office and the object of research is employees at the Riau Province BAZNAS Office. The data collection method in this study used a saturated sampling method (census) of 36 samples The proposed framework can be explained as follows:

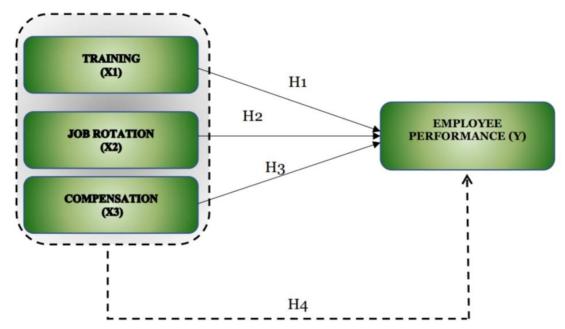


Figure 1. Hypotheses Framework

- H1. Training affects employee performance
- H2. Job rotation affects employee performance
- H3. Compensation affects employee performance
- H4. Training, work rotation and compensation affect employee performance

Data quality testing used is data validity test and data reliability test. The regression model will produce a good unbiased estimator if it meets the classical assumptions, namely free autocorrelation, multicollinearity and heteroscedasticity. Hypothesis testing in this study uses multiple linear regression analysis tools, namely: Y = a + b1 X1 + b2 X2 + e

The coefficient of determination is between zero (o) and one (1). Testing of each hypothesis is done in the following way: significant test (real influence) of independent variables on the dependent variable partially and simultaneously on hypotheses 1 to 4 (H1 to H4) and the t-test statistical test at the 5% level ( $\alpha = 0.05$ ).

#### **RESULTS**

Table 1 delineates the demographic attributes of the participants in this study. The data is categorised by gender, educational attainment, and tenure. The majority of respondents are male (66.7%), whereas females constitute 33.3% of the total respondents. A large percentage of respondents possess a college education (55.5%), followed by those with a high school education (33.3%). Additionally, 11.1% of respondents acquired S2 education. The predominant proportion of respondents (38.9%) had a term of

approximately one year. Additionally, 36.1% of respondents have a tenure of 5 to 10 years, while 25% have a tenure of around 1 to 5 years.

Table 1. Respondents' Profile

Respondent Characteristics	Respondent Category	Percentage					
Gender							
Male	24	66,7%					
Female	12	33,3%					
	Education						
High School	12	33.3%					
Diploma	-	-					
S1	20	55,5%					
S2	4	11,1%					
S <sub>3</sub>	-	-					
E	mployment Period						
1 year	14	38,9%					
1 – 5 years	9	25%					
5 – 10 years	13	36,1%					
> 10 years		-					

The loading of SPSS software can be explained in Table 2.

Table.2 Partial Test Results (T Test)

Coefficients <sup>a</sup>					
	Unstandardized		Standardized		
		Coefficients	Coefficier	nts	
Model	В	Std. Error	Beta	t	Sig.
1 (Constant)	8.343	7.830		1.065	.295
Training	.519	.174	.436	2.988	.005
Job Rotation	.340	.116	.407	2.922	.006
Compensation	013	.204	009	063	.950
a. Dependent Vari	able: Per	formance			

The results show that training has a partial effect on performance with a value  $t_{count}$  2.988>  $t_{table}$  2.034 and the resulting significance value of 0.005 as below 0.05. Based on these results, it can conclude that the training factor partially has a significant positive impact on employee performance.

Job Rotation has a partial effect on Performance performs with a  $t_{count}$  value of 2.922>  $t_{table}$  2.034 and the proposed the significance value of 0.006 as below to 0.05. Based on these results, it can conclude that job rotation has a significant positive impact on employee performance.

Compensation has no partial effect on performance whereby the loading variables show with a  $t_{count}$  value of -0.063 <  $t_{table}$  2.034 and the resulting significance value of 0.950

as above 0.05. Based on these results, it can conclude that compensation does not have a significant impact on employee performance at BAZNAS Riau Province. This means that changes in compensation do not directly affect employee performance.

Table.3 Simultaneous Test Results (F Test)

ANOVAa				
Model Sum of Squares	df	Mean Square	F	Sig.
1 Regression 607.299	3	202.433	10.353	.000b
Residual 625.701	32	19.553		
Total 1233.000	35			
a. Dependent Variable: Perform	ance			

b. Predictors: (Constant), Compensation, Job Rotation, Training

Training, Job Rotation and Compensation simultaneously affect the performance of BAZNAS Riau Province. Based on the simultaneous test, it is identified that  $F_{count}$  10.353>  $F_{table}$  3.29 with Signification (0.000 b) <0.05. Then Ho is rejected and Ha is accepted, meaning that Training (X1), Job Rotation (X2) and Compensation (X3) simultaneously have a significant and positive effect on Performance (Y) BAZNAS Riau Province. This explains that efforts to improve employee performance at BAZNAS Riau Province can be achieved by paying attention to and improving these three factors simultaneously. Effective training, good job rotation, and adequate compensation can collectively improve employee motivation, skills, and job satisfaction, which in turn will improve their performance.

#### **DISCUSSION**

From the testing results above, regarding the effect of training on employee performance which states  $t_{count}$  2.988>  $t_{table}$  2.034 and Sig 0.005 <0.05. This shows that Ha is accepted and Ho is rejected. This means that training affects employee performance at BAZNAS Riau Province. Based on the results of the training effect on performance, this indicates that if training increases, performance will also increase. The results of this study are in line with previous research by Wibowo et al., (2022) entitled "Analysis of the Role of Work Compensation and Job Training on Employee Performance Foodpedia Group". This study defines that job training has a significant effect on employee performance.

The effect of Job Rotation on employee performance which states  $t_{count}$  2.922>  $t_{table}$  2.034 and Sig 0.006 < 0.05. This shows that Ha is accepted and Ho is rejected. This means that job rotation affects employee performance at BAZNAS Riau Province. Based on the results of Job Rotation has an effect on performance thus it indicates that if Job Rotation increases, performance will also increase. The results of this study are in line with previous research by Sharon et al., (2021) entitled "The Relationship between Job Rotation and Employee Performance in Level Four Hospitals in the South Rift region of

Kenya". The results of this study show that job rotation has a moderate relationship (R = 0.506,  $\beta 1 = 0.406$ , R2 = 0.256, p < 0.05) with employee performance indicating that Level Four Hospitals in the South-Rift region should invest in job rotation strategies. The study recommends that Level Four Hospitals in South-Rift rotate personnel in their job functions as it contributes more to their development.

The effect of compensation on performance which states  $t_{count}$ -0.063 <  $t_{table}$  2.034 and Sig 0.950 > 0.05. This shows that Ha is rejected and Ho is accepted. This means that compensation has no effect on performance at BAZNAS Riau Province. These results are in line with previous research by Suparno et al., (2023) entitled "The Effect of Compensation, Motivation and Job Loyalty on the Performance of employees of the Gurih 7 Bogor Restaurant during the Covid-19 Pandemic". Shows the results of this study are compensation has no positive and significant effect on employee performance, work loyalty has a positive and significant effect on employee performance, work loyalty has a positive and significant effect on employee performance.

Simultaneous testing found that  $F_{count}$  10.353>  $F_{table}$  3.29 with Sig. 0,00 < 0,05. This shows that Ha is accepted because  $F_{count}$  is greater than  $F_{table}$  where there is a significant effect and Ho is rejected because  $F_{value}$  is smaller than  $\alpha$  where there is a significant effect. This explains that the variables of Training, Job Rotation and Compensation affect performance at BAZNAS Riau Province. The R Square value is 0.493 or 49.3% to describes that performance at BAZNAS Riau Province is influenced by Training, Job Rotation and Compensation by 49.3%. While the remaining of value 0.507 or 50.7% is influenced by other variables not observed in this study. The results of this study are in line with previous research by Mashuri et al., (2023) entitled "The Effect of Job Training, Work Discipline and Compensation on Employee Performance at the Railway Dipo during the Covid-19 Pandemic". This shows the job training has a significant effect on employee performance, work discipline has a significant effect on employee performance, compensation has a significant effect on employee performance, and job training, work discipline, compensation simultaneously affect employee performance.

# **CONCLUSION**

The analysis of data results indicate that training and work rotation influence employee performance, while compensation does not impact the performance of BAZNAS Riau Province employees. The simultaneous implementation of training, work rotation, and compensation significantly impacts the performance of employees at BAZNAS Riau Province. This finding can aid the management of BAZNAS Riau Province in increasing their organizational performance through the effective and efficiency development of their human resources management.

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