

## The Influence of Training and Career Development on Employee Performance Mediated by Organizational Culture at PT. Astra International Tbk. BMW Makassar

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### Abstract

*PT. Astra International Tbk BMW Makassar is the subject of the study, aimed at conducting an in-depth investigation into the impact of training and career expansion factors on employee performance, mediated by the business culture factor. A total of 120 employees participated as respondents, and data were collected through questionnaire surveys, non-participant observation, and interviews. Path analysis will be utilized to justify the impact of exogenous factors on endogenous factors. The study's findings revealed significant direct effects in the path of substruktur 1, indicating that career expansion (X2) has a significant impact on workforce performance. Additionally, the exogenous factor of career expansion has a substantial and direct impact on the business entity's culture in path substruktur 2. In path substruktur 3, it was observed that training has a significant and substantial impact on career expansion. Subsequently, the Sobel test was employed to explore the non-contingent impact of training on employee performance, mediated by the organizational culture, which showed a significant and direct relationship. Similarly, the non-contingent impact of career expansion on employee performance, mediated by the organizational culture, demonstrated a significant and direct association.*

**Keywords** Training, Career Expansion, Corporate Culture, and Employee Performance.

### INTRODUCTION

Crucial factors in a business entity to reach its vision and mission involve the management of human resources. The business entity should emphasize its capabilities in controlling various resources systematically, especially those related to operational business personnel, to ensure quality outcomes in all organizational activities. According to Riyanto et al. (2017), the success of a business entity is closely tied to the quality of its human resources. The evolving technological advancements in this period have led to specific changes in the utilization and behavior patterns of employees, which, if not of high quality and competence, can negatively impact business progress (Widodo et al., 2020).

Key strategies implemented by PT. Astra International in achieving its mission and vision involve maximizing the potential and capabilities of its workforce (Mobley, 2018). As highlighted by Karuppu (2021), the strength of managerial support for business performance is primarily derived from the quality of its human resources. Achieving optimal performance requires professional capabilities, which companies can facilitate through various steps and conditions, including training and career expansion (Yulia & Deden, 2023), as indicated in the study conducted by Klemp (2018).

Marwansyah (2020) emphasizes that the usefulness of human resources in a business entity can be realized through human resource planning, compensation and welfare, industrial relations, recruitment and selection, career expansion, and health and safety programs. These aspects significantly contribute to business and employee performance,



requiring careful consideration of individual performance achievements within the company (Abas, 2018). Overall, effective business activities aiming to meet the needs of individuals and groups will systematically enhance the continuous organizational capacity to achieve effective goals (Cik, 2021).

The execution of tasks and responsibilities will reflect employee performance when the acquired capabilities meet both good quality and quantity over a certain period (Bennardin & Russel, 2019). Various internal and external indicators can affect employee performance (Asmar, 2020), which directly influences the achievement of the business entity's vision and mission. Therefore, management needs to delve into the attitudes and behaviors of employees within the business entity (Elsafty, 2022), as work procedures and tasks define performance.

Mangkunegara (2018) states that performance is related to the quality and quantity achieved based on the tasks and responsibilities assigned by the business entity. Over a period, performance is reflected in a business entity's profits or non-profit achievements (Luther, 2021). Kreitner & Kinicki (2017) revealed that endogenous factors, such as organizational culture, training, and career expansion, significantly impact a business entity's performance. In contrast, Juan's study (2019) describes that indicators of the business environment have an impact on both employee and overall business performance, specifically referring to organizational culture.

The integrity of an individual employee is significantly influenced by organizational culture, which encompasses values, rules, and behaviors within the business entity. It plays a crucial role in aligning individuals with the organization's vision and mission, allowing those with high-quality capabilities to be influenced by the organizational culture (Ida & Ali, 2023). Experiments on the organizational culture's behavior, harmoniously linked to strategies described in the "culture web" concept, are essential for mapping organizational culture (Emron et al., 2017). The presence of assumptions and behaviors, detailed within six constituents - stories, symbols, rituals, routines, systems, and power structures and organizations - defines the organizational culture (Adiawaty, 2020).

The era of globalization brings intense competition between businesses, necessitating businesses to fortify their assets for competitive capabilities (Bamidele, 2022). One of the main attention points for businesses is their human resources or employees (Chatab, 2017). As living and tangible assets, employees require special nurturing to ensure loyalty to the business (Dessler, 2018). Business ventures striving for excellence, expansion, defense, and quality management of their employees face increasing challenges and strictness, aligned with the continuously changing business environment worldwide (Edison, 2020). Businesses no longer rely solely on their size and business ratios; they must also respond quickly to changes (Dharma, 2019), with their business procedures based not only on regulations or norms but also on the company's vision and values. These procedures require reliable, well-informed, and uniquely thinking employees, ensuring their alignment with the company's vision. Therefore, business entities must expand careers and enhance their employees' skills to meet these needs (Garaika, 2020). The components of capitalizing human resources are training and career expansion (Emron et al., 2017), and thus, businesses seeking to create



human resources as their competitive advantage should not consider training and career development as common or trivial strategies (Haryana, 2020).

Formal professionalism in actualizing effective training cultivates business entity performance, morale, and maximum potential. Efficiently managed individuals with the best capabilities and competencies make organizational training unnecessary (Hasibuan, 2020). However, it is essential to recognize that environmental changes will frequently occur in fast-paced periods, and organizations need to adapt to these changes (Flippo, 2019). This phenomenon has resulted in the diverse capabilities and competencies of the workforce being critical for business entities today, necessitating studies on training and career expansion.

## METHOD

The research was conducted in the city of Makassar, specifically at PT. Astra International Tbk. BMW Makassar. It employed a quantitative research design with an ex-post facto survey approach. The data sources were primary data obtained from tabulating questionnaires, supported by available secondary data. The research population comprised all employees, and a random sampling technique was used to select 120 respondents through purposive sampling method. The data analysis utilized Path Analysis, using the technology from SPSS version 26, to explore the pathways or relationships between exogenous and endogenous factors, test hypotheses, and interpret the relationships that occurred (Sugiyono, 2018). This path analysis is a strategy to delve into the constant and non-constant effects of exogenous factors on endogenous factors, an expansion of the path analysis concept.

## RESULTS AND DISCUSSION

The collected data will then be processed and undergo various required experiments. Conducting path analysis is the next step in testing the causal model, which theoretically results in a path diagram and coefficient values for each column.

### Path Relationship Model between Variables in Substructure 1

The reference for the interconnection between substructures involving multiple endogenous factors, including employee performance (Y), and exogenous factors, such as training (X1), career expansion (X2), and corporate culture (Z). The correlation leads to path coefficients in Substructure 1 as follows:

$$Y = \beta_{y1}x1 + \beta_{y2}x2 + \beta_{y3}x3 + \varepsilon_Y$$

Substructure 1 is presented through a table based on the estimation findings obtained via SPSS 26. The following are the path coefficient values in Table 1:

**Table 1.** Path Coefficient Values in Substructure 1

Model	Unstandardized		Standardized	t	Sig
	Coefficients	Std. Error	Coefficients		
	$\beta$	Std. Error	Beta		
(Constant)	1,450	,361		4,013	,000
Training (X1)	0,099	,101	,100	,984	,327



Career development (X2)	0,384	,152	,251	2,532	,012
Corporate Culture (Y)	0,221	,118	,198	1,881	,062

Dependen variabel: Employee performance (Z)

The path model in Substructure 1 can be illustrated in the above Table 1. The framework of empirical causal relationships among variables X1, X2, and Y with respect to Z in Substructure 1 can be expressed as follows:

$$Z = 0,100X1 + 0,251X2 + 0,198Y1$$

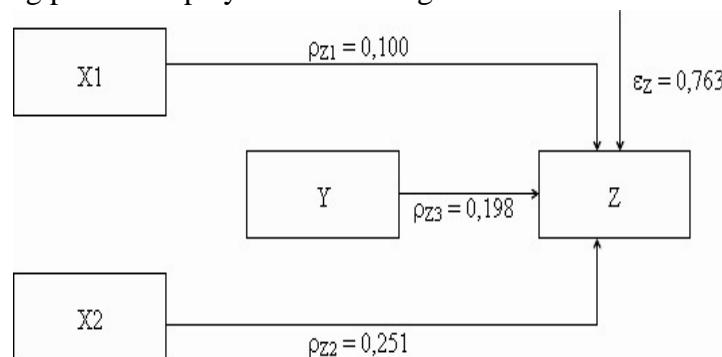
In this context, R<sup>2</sup>YX321 has a value of 0.237, indicating the level of variability in Z that can be explained by variables X1, X2, and Y. The influence of other variables not included in X1, X2, and Y on Z is represented by  $\epsilon_Z$  with a value of 0.763. The comprehensive results of this empirical model are presented in Table 2.

**Table 2.** Summary of Empirical Results in Substructure 1.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0,487 <sup>a</sup>	0,237	0,223	0,27368

a. Predictors: (Constant), Corporate Culture (Y), Career Development (X2), Training (X1)  
Dependent Variable: Employee Performance (Z)

The following picture displays the Path Diagram for Structure 1:



**Picture 1.** Empirical Causal Relationship Model between X1, X2, Y, and Z.

### Path Relationship Model between Factors in Substructure 2

The reference for the interconnection between variables in Substructure 2 involves one endogenous variable, namely corporate culture (Y), and two exogenous variables, namely training (X1) and career expansion (X2). Based on these relationships, the following is the path model applicable to Substructure 2:

$$Y = \beta_{31}x1 + \beta_{32}x2 + \epsilon_3$$

The path coefficients in Substructure 2 were obtained from calculations through SPSS 19 and are presented in the following table:

**Table 3.** Path Coefficient Values in Substructure 2

Model	Unstandardized		Standardized	t	Sig
	Coefficients	Std. Error	Coefficients		
	$\beta$	Beta			
(Constant)	1,067	,230		4,641	,000
Pelatihan (X1)	,392	,061	,441	6,453	,000
Pengembangan Karir (X2)	,531	,094	,387	5,654	,000

Dependen variabel: Budaya Perusahaan (Y)

The presentation of path modeling in Substructure 2 indicates the empirical causal relationships between factors X1 and X2 with Y as follows:

$$Y = 0.441X1 + 0.387X2$$

Based on the analysis results, the value of  $R^2$  is 0.560, indicating the extent to which the variation in variable Y can be explained by variables X1 and X2 in the path model of Substructure 2. On the other hand, the influence of other variables not included in the model (outside of X1 and X2) on variable Y is represented by  $\epsilon_Y$ , with a value of 0.440. The entire results of this empirical model have been compiled and presented in Table 4. Additionally,  $R^2$  is 0.560.

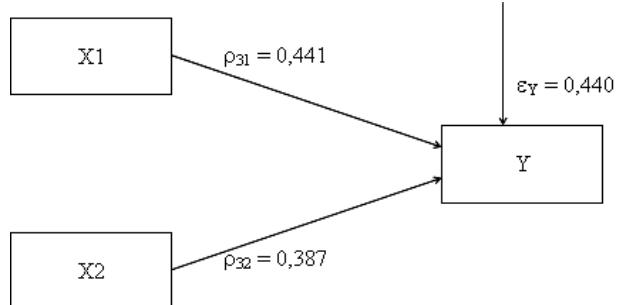
**Table 4.** Summary of Empirical Results in Substructure 2.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0,748 <sup>a</sup>	0,560	0,554	0,18566

a. Predictors: (Constant), Pelatihan (X1), Pengembangan Karir (X2)

Variabel Dependen: Budaya Perusahaan (Y)

The Path Diagram for Structure 2 is presented in the following picture:

**Picture 2.** Empirical Causal Relationship Model between X1, X2, and Y.



### The Path Relationship Model between Variables in Substructure 3

The interconnection model between factors in Substructure 3 consists of two factors: one endogenous factor, career expansion (X2), and one exogenous factor, training (X1). Based on this interconnection, the path modeling in Substructure 3 is formulated as follows:

$$X2 = \beta_{21}X1 + \varepsilon_2$$

The path coefficients in Substructure 3 were obtained from calculations through SPSS 19 and are presented in the following table:

**Table 5.** Path Coefficient Values in Substructure 3.

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig
	$\beta$	Std. Error	Beta		
(Constant)	1,266	,167		7,589	,000
Pelatihan (X1)	,410	,040	,633	10,274	,000

Variabel Dependen: Pengembangan Karir (X2)

The path model in Substructure 3 can be illustrated in Table 5 above. The framework of empirical causal relationships between variables X1 and X2 in Substructure 3 can be explained as follows:

$$X2 = 0,633X1$$

R<sup>2</sup>X21 obtained a value of 0.401, which illustrates the extent to which the variation of X3 can be explained by X1 and X2 in the path model of Substructure 3. On the other hand, the impact of other factors not included in X1 and X2 on X3 is represented by  $\varepsilon_Y$  with a value of 0.599. All the results of this empirical model have been explained and presented in Table 6.

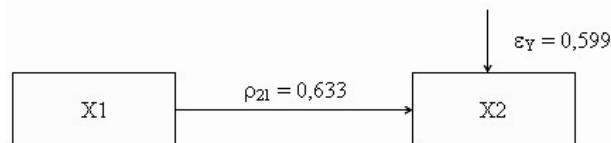
**Table 6.** Summary of Empirical Results in Substructure 3.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0,633 <sup>a</sup>	0,401	0,397	0,15736

a. Predictors: (Constant), Pelatihan (X1)

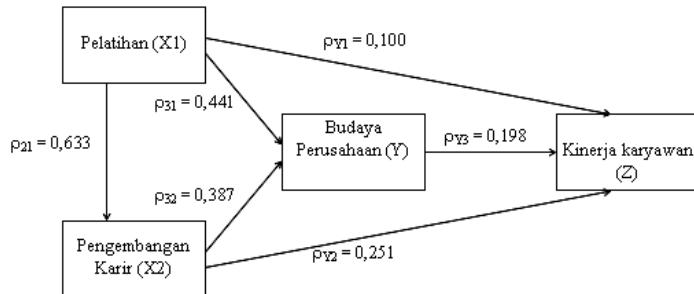
Variabel Dependen: Pengembangan Karir (X2)

The Path Diagram for Structure 1 is presented in the following picture:



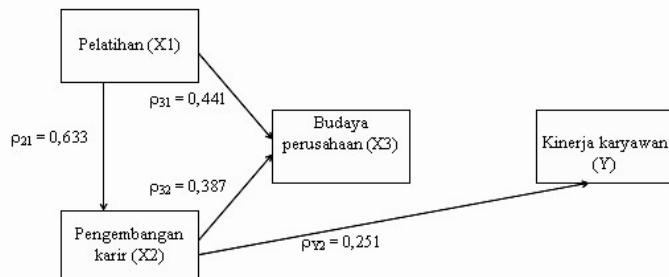
**Picture 3.** Empirical Causal Relationship Model between X1 and X2

Based on the data presented in tables 1 to 6, as well as the information provided in pictures 2 to 4, we can conclude that all 6 (six) tested coefficients show significance at the  $\alpha = 0.05$  level. The empirical path diagram of this study can be found in Picture 5.



**Picture 4.** Path Coefficients of the Direct Impact of Training, Career Development, and Online Learning System on Employee Performance

The results of the path analysis showed that the path coefficients for the constant effect were not significant. To address this issue, a model trimming was performed, which is a method of refining the path model by excluding non-significant exogenous factors. These factors included training and organizational culture's impact on employee performance. Subsequently, the new path analysis model, after trimming, is elaborated as follows: This section presents the results with clear descriptions. Results can be supplemented with tables, graphs (pictures), and/or charts.



**Picture 5.** Path Coefficients of the Direct Impact of Training, Career Development, and Online Learning System on Employee Performance.

The next step in examining the non-constant effect is to conduct a Sobel test modeling, with the following calculation results: The non-significant direct effect, but significant indirect effect, is indicated by the indirect factor mediated by organizational culture on employee performance, with a Sobel test result of 0.087 and a p-value of 0.072, which is greater than 0.05.

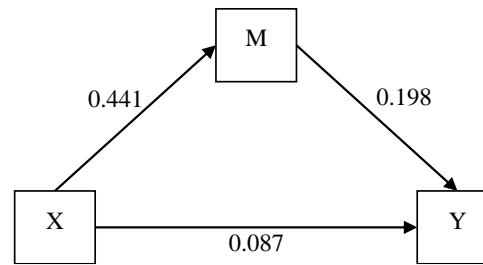


Results

Indirect Effect ( $a \cdot b$ ) =	0.087
Sobel's SE = $\sqrt{[(a \cdot SE_b)^2 + (b \cdot SE_a)^2]}$ =	0.048
Z = Indirect Effect ÷ Sobel's SE =	1.798
p =	0.072

$$\text{Standardized Indirect Effect} = (\beta_a \cdot \beta_b) = 0.087$$

$$\text{Portion of } (X \rightarrow Y) \text{ due to } M = (c - c')/c = 100.0\%$$



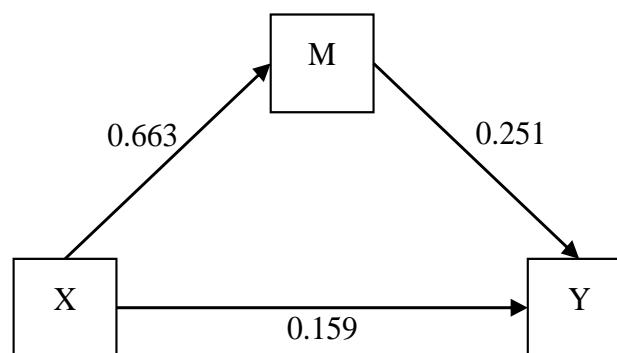
Career expansion as a mediating factor for training has a non-constant, significant, and direct impact on employee performance, with a Sobel test result of 0.159 and a p-value of 0.014, which is smaller than 0.05.

Results

Indirect Effect ( $a \cdot b$ ) =	0.157
Sobel's SE = $\sqrt{[(a \cdot SE_b)^2 + (b \cdot SE_a)^2]}$ =	0.064
Z = Indirect Effect ÷ Sobel's SE =	2.453
p =	0.014

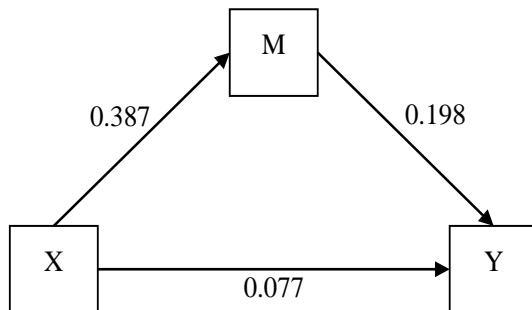
$$\text{Standardized Indirect Effect} = (\beta_a \cdot \beta_b) = 0.159$$

$$\text{Portion of } (X \rightarrow Y) \text{ due to } M = (c - c')/c = 100.0\%$$



Career expansion has a non-constant impact through organizational culture with a direct but non-significant relationship with employee performance, with a Sobel test result of 0.077 and a p-value of 0.075, which is greater than 0.05.

Kesimpulan	
Indirect Effect ( $a \cdot b$ ) =	0.117
Sobel's SE = $\sqrt{[(a \cdot SE_b)^2 + (b \cdot SE_a)^2]}$ =	0.066
Z = Indirect Effect / Sobel's SE =	1.778
p =	0.075
Standardized Indirect Effect = $(\beta_a \cdot \beta_b)$ =	0.077
Portion of $(X \rightarrow Y)$ due to M = $(c - c')/c$ =	100.0%



## CONCLUSION

The conclusion of this study, based on the research results, reveals that in the path coefficients of Substructure 1, career expansion (X2) shows a significant and direct impact on employee performance. However, the direct impact of training and organizational culture on employee performance is not significant. In the path coefficients of Substructure 2, the study found that training and career expansion have a significant and direct impact on organizational culture. As for Substructure 3, the study results indicate that training has a significant and direct relationship with career expansion.

Furthermore, the Sobel test revealed that there is a non-constant impact in terms of indirect effects. Specifically, training has a positive but non-significant relationship with employee performance, mediated by organizational culture. On the other hand, career expansion has a significant and direct relationship with employee performance, mediated by organizational culture. This indicates that the organizational culture acts as an intervening variable that contributes to employee performance through career expansion.

Based on these findings, it is recommended that the company provides opportunities and prospects for employees to develop their careers by participating in training programs to enhance their skills and adhering to the company's existing work culture.

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