# Effect Of Job Training, Reward Toward Job Ability And Employees Performance (Study In Pt. Bank Perkreditan Rakyat Hasamitra In South Sulawesi Province)

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Abstract: This study has the objectives to test and empirically give evidence that: the effect of job training and reward toward job ability and employees performance in an effort to improve productivity and employees performance in banking at PT. Bank Perkreditan Rakyat Hasamitra in South Sulawesi Province. Focus of this study is whether job training was able to give contribution toward the goals of bank perkreditan rakyat as the micro finance institution to collect people's fund and to give loan in working capital or consumptive loan for the people. Study unit in this paper would be employees of PT. Bank Perkreditan Rakyat Hasamitra in South Sulawesi Province with 120 employees in population. Sample respondent in this paper would be 54 employees. Sample determination was using purposive sampling technique. Analysis method for hypothesis testing would be variance-based Structural Equation Model (SEM) with Partial Least Square (PLS) program. Result of this study showed that there was effect of employee's job training, reward being distributed toward the improvement of job ability and job quality of the employees either technical operational as bank perkreditan or its conceptual and social ability to obtain credit growth determined by the company. Result of this study also showed that there is direct and indirect effect of the job training, reward distributed toward employee's performance improvement, mediated by employee's job ability.

**Keywords:** job training, reward, job ability, and employee's performance

# I. Introduction

Human resource competence is highly important in banking business management, each bank would give their authority toward human resources division to predict, recruit, develop and dissolute a working relation. Advancement of a banking business would highly depends on its human resources management, therefore policies by human resources division is very important to obtain main objectives of this banking business.

Bank Perkreditan Rakyat (BPR) is banking institution known in Indonesia and regulated in article 5 subsection (1) Undang-Undang No. 7 year 1992 concerning Banking, as being revisioned into UU No. 10 year 1998 which classify bank into two type which are Bank Umum and Bank Perkreditan Rakyat. Bank Perkreditan Rakyat is bank who conduct its venture in conventional manner and or based on syaria principle which in its activities didn't give service in payment traffic, while Bank Umum is bank who conduct its venture in conventional manner and or based on syaria principle which in its activities did give service in payment traffic.

Makassar city is the capital city of South Sulawesi Province. Makassar is the largest city in East Indonesia region and second largest metropolitan city outside of Java after Medan city. This put Makassar city as the trade center in East Indonesia region. This was supported with sufficient infrastructure, strategic location, competent human resources in its fieldwork and support from other financial institution.

One of the BPR in Makassar city would be BPR Hasamitra. BPR Hasamitra is one of Bank Perkreditan Rakyat that able to survive in the middle of rapid competitive between other BPRs in South Sulawesi, particularly in Makassar city and in Indonesia. With its mission "Becoming Local Bank with Healthy, Strong and Credible National Reputation", BPR Hasamitra exist as micro finance institution which could raise fund of the people and giving loan as working capital or consumptive loan for the people.

Globalization phenomenon has carry its changing implication of business activities in Makassar, in which most firms particularly banking firm was encourage to be able in competing in regional level. Business phenomenon in global era currently made organization too focused in facing the competition thus condition within the organization was treated in ineffective manner. Management would be more interested toward the appearance than do what needs to be done. This resulting team leader only focused on pressing individual talent for the interest of organization and did not pay attention toward employees

development aspect. All firm tend to becoming a winner in the competition and along with this it is realized that it is necessary to pay attention toward job training, job ability and reward distribution for the employees to encourage and improve their performance and productivity. This phenomenon would likely to impact on pressing employees to bring advancement for the firm and thus disregarding psychology aspect and sometimes underestimating employee's rights. If this goes on, employee's work motivation would surely decreasing.

To deal with this, Brown [1], training is one of the main activities that the firm should do to develop human resources. This was due to rapid change in condition and environmental demand, also the advancement of science and technology, which make organization or institution should always adapting themselves. For this matter, human resources within each organization should always improved. Most human resources development activities was done through training program.

Nitta [2], in her study found out that training has considerable contribution or proportion toward variation (up and down) of employee's performance, beside variation explained by other factors. This study's result is on the opposite of study conducted by Rahmawati[3], where she found out that job training variable had negative effect toward employees performance and its credibility cannot be proven.

The firm is compulsory to held job training for its employees in order to improve its job ability. Ability is the capacity of an individual to conduct all the task within a job and ability basically consist of intelectual ability and physical ability. With higher job ability, it would spur on organization performance and able to achieve the goal of organization.

Gibson[4], suggest that ability is the character own by someone or something obtain through learning, which make someone was able to do something mentally or physically. Ability is related with capacity of each person in conducting several task within a job. Ability is also the assessment toward the job being done. Study by Zelda[5], proved that job ability variable had direct, positive and significant effect toward performance. In other word, employee with higher job ability, would be able to improve his/her performance. This was the opposite of Yossa and Zunaidah's[6] study which showed that employee's ability variable had no significant effect toward employee's performance.

To spur on organization performance, the firm should give reward (compensation) toward its employees. Simamora[7], suggest that reward is incentive that related with pay in order to improve productivities of their employees in an effort to gain competitive advantage. This was also to spur on employee's working spirit to improve its performance productivity and to decrease its turnover intensity.

Study by Sinaga[8]' showed that reward had significant effect toward employee's performance. But this is not so according to study by Njanja et al. [9], in which the result showed that reward did not have significant effect toward employee's performance. Those who accept reward suggest that either they receive reward or not, it would not give significant effect toward employee's performance, and that there are other main variable which could affecting employee's performance.

PT. BPR Hasamitra in South Sulawesi Province in order to achieve its vision and mission has held job training to improve job ability and to give reward toward its employees for every month, in certain periods, according to his/her position and responsibilities, his/her achievement and his/her year of service.

Job training program in PT. BPR Hasamitra in South Sulawesi Province was held for new entrance employees until employee's development stage. Training program was held gradually in accord with its position within the firm, latest need of the firm and or employee's needs. Training was programmed by human resources division. Every employee has the opportunity and chance to particip ate in a job training, but this was determined by human resources divition. Job training program in PT. BPR Hasamitra in South Sulawesi Province was already done in accord with the procedures, in which the firm would sometimes invite a professional trainer. Result of this training would brought positive impact toward the firm's performance which was able to introduce their name among people in Makassar city.

PT. BPR Hasamitra highly concentrate on its job training for its employees, this was seen from job training quality which has direct effect toward the job quality and quantity of their employees. In general, this was seen from job assessment which normally done by human resources division in certain period that give positive result for employees and the firm.

Job ability improvement program for the employees of PT. BPR Hasamitra in South Sulawesi Province has become the main priority of its human resource division. This program was integrated with employee's job training, in which job ability improvement in PT. BPR Hasamitra in South Sulawesi Province has been done in several ways to improve their employee's technical skill, conceptual skill and social skill through *off the job training* and *on the job training*.

Improvement in employee's ability of PT. BPR Hasamitra has been succeded to improve and develop employee's ability through various way. Employee's ability improvement through off the job training and on the job training has been proven carrying positive effect toward employee's

performance. This success can be seen from the ability of the firm to obtain several award such as "Golden Award" in 2014 over its Finance performance for 5 consecutive years, that are in 2009, 2010, 2011, 2012, and 2013 with predicate "Very Good", from Infobank magazine version. And in 2011, according to Kajian Biro Riset Infobank, BPR Hasamitra has succeeded to sit in 8th place between 186 BPR who had best performance and has the predicate "very good" and own a total asset above Rp 100 billion. Other than that, PT. BPR Hasamitra also able in obtain award from Museum Rekor Indonesia in its role to pioneering and held a simultaneous saving movement with most participant in 2011.

PT. BPR Hasamitra in South Sulawesi Province is highly focused to motivate its employees in improving their performance to obtain the firm's vision and mission. One of this motivation would be by giving reward toward its employees. Reward given toward their employees would be intrinsic award such as salary, payment, benefit, bonus, interpersonal award, and promotion. Extrinsic award was also given in the form of completion, achievement and autonomy.

Several type of reward being given toward their employees has proven that the firm do focused on conducting its motivation program toward their employees to improve their performance. The success of this program was reflected in employee's working spirit and its high productivity. This was realized from performance assessment result which showed that employees understand the reward distribution procedures and never file a complaint toward the firm related with reward distribution process due to transparent principle adopted by the firm.

From the above discussion, in order to participate in improving productivity and performance of the employees in banking field, particularly to improve employee's performance of PT. Bank Perkreditan Rakyat Hasamitra in South Sulawesi Province through improving quality of job training, job ability and reward distribution toward employees, author was interested to conduct the study with the title "Effect of Job Training, Reward toward Job Ability and Performance (Study toward Employees of PT. Bank Perkreditan Rakyat Hasamitra in South Sulawesi Province).

## II. Study Framework

One of the reason why employee's performance is decreasing within a firm would be due to insufficiency between ability level own by the employees, with the development of needs and problem dynamic faced by competitive labor world. Lots of people suggest that some of the factor affecting the decrease of employee's ability would be lack of attention from the firm/organization to give sufficient training program for its employees.

According to Simamora [10], training is a systematic process in changing behavior of employees toward a direction so that it would be able to improve organizational objectives. In a training there were an environment in which employees would be able in obtaining or learning attitude, ability, skill, knowledge and specific behavior related with their job. Training would normally focused on providing special ability or skills for employees or to help them correcting their weakness in their performance.

It is commonly known that every single person would like to achieve advancement in their job. Advancement would only able to reached if he/she was able to show a satisfactory performance, including higher job productivity. Other than that, knowledge and technology would always develop. Organization faced a new demand and environment. Human skill would be outdated in no time, from this point of view training quality become important. Other than that, management should realize that investment in human resources is the most important investment that can be done by a firm according to Siagian [11], and Gomes[12], suggest that through training, employees would become skillfull and thus would be more productive.

Other than job training, job ability was also influencing employee's performance. Mangkunegara [13], suggest that ability consist of potential (IQ) and reality ability (knowledge+skill). It means, employees with above average IQ (110-120) with sufficient education for its position and skillfull in conducting their daily work, he/she would be easier to achieve the expected performance. Therefore, employees should be placed in a job according to his/her skill.

Psychologically speaking, ability of the employees consist of potential and reality ability which means that employees who had above average ability with sufficient education and knowledge also possess the above characteristic to run a skillfull work and thus he/she would be easier to run an effort to succeed on his job (the right man in the right place, the right man on the right job).

Gibson[14], suggest that individual factors that influence performance would consist of physical ability, mental ability (inteligence) and skill, demographic factor (such as age, sex, race, ethnique and culture) also psychological variables (perception, attribution, attitude and personality). Job environmental variable (job design, rules and policies, leadership, resource, award and sanction) and non

job variables (family, economy condition also hobby) would also influence his/her working behavior which would eventually form his/her performance.

Other than job training and job ability, reward being awarded toward employees would also influencing employee's performance. Reward (award) is one of the component of management control structure other than organization structure and information network. This reward was used to realized system objectives (the firm and its elements). Kuswantoro[15], suggest that reward has the effect toward employee's performance, in which this means that sufficiency between salary with working burden and responsibilities, benefit, incentive or bonus, special benefit such as holiday benefit, health benefit etc and in distributing reward in overall give a positive and significant effect toward employee's performance.

According to Mulyadi[16], reward (award) is a service merit given by the firm toward the labor since he/she has give contribution in effort and mind for the advancement and continuity of the firm to achieve its predetermined goals in short or medium term. Reward distribution is one of human resources management strategy to create harmony among staff to achieve objectives and goals predetermined by the firm. Reward distribution is a stronger motivator to improve work quality.

Someone's performance would also related with the valid reward system (Harvirani,[17]), I Made and Rani[18], suggest that a system or programme implemented by management with additional income for the employees or manager is an effort to improve his/her performance.

Reward or award can become a tool for the firm to deal with problems related with employee management and also a tool to motivate employees. If people perceive that there is a high possibility that good performance would gain reward (award) or reward received was based on good performance, motivation to achieve the predetermined goals would be quite high. Vice versa, if there is only small possibility that one's performance is gaining reward, thus motivation to achieve the predetermined goals would be quite low. Lower motivation would realized in the form of lacking awareness toward the job, high absenteeism, and high employee turnover.

Employee's performance is one of the main key for the firm or company since every firm cannot gain improvement by the effort of one or two person only, but it would gain improvement from all company's members effort. Organization that able to showed a good performance is actually showing the result of performance by its members. Therefore organization should be able to coordinate each of its member in achieving optimum performance.

Hasibuan[19], suggest that performance (working achievement) is a working result realized by someone in dealing with the task given to him/her and based on his/her aptitude, experience, and sincerity also time. Lower or higher employee's performance would be highly related with reward system implemented by the firm where they work. Insufficient award would highly affecting one's performance improvement.

# III. Definition Of Operational Variable

It is drawing limitation that would explain more about specific characters substantively from a concept. The objective would be so that author would be able to obtain appropriate measurement tool with the conceptually defined variables, in which author should put its process or operational using measurement tool and using it for symptom quantification or his variables. Referring to variable identification above, definition of operational variable of this study would be:

## Job Training

Training is part of human resources investment. Longer time needed by someone for education and training, the higher his/her ability or his/her competence in doing his/her job and thus it would create higher performance. Training is a learning process which involved skill gaining, concept, rules or attitude to improve employee's performance.

Simamora and Bosker [20], suggest that employees job training is a learning process which involved skill gaining, concept, rules or attitude to improve labor's performance. Job training would be measured through related indicators. Rivai stated that job training can be measured from several indicators such as: a) material needed; b) method being used; c) ability of training instructors; d) facility of training; e) training participant. Employee's job training would be directed toward improvement of ability and skill of organization's HR related with the post or function in which he/she takes responsibility currently (current job oriented).

#### Reward

Reward or compensation is an important matter due it has great effect toward the spirit and working passion. Experience showed that insufficient compensation would lowered the job achievement,

motivation and employee's job satisfaction, according to Ivancevich, reward program would pull people who had the qualification to join with the organization and push those to achieve higher performance level. According to Simamora[22], reward is incentive that related with pay to improve employee's productivity in order to obtain competitive advantage. This variable would be measured through indicators such as: 1) Sufficient, which means that reward should fulfill government minimum provision; 2) Fair, which means that everyone given reward should be adjusted or in accord with his/her effort contributed toward the government; 3) Balance, which means amount of salary, benefit, bonus and other being given should be in balance; 4) Effective, from financing point of view it should be in accord with company's financial ability; 5) Fulfilling life needs of its employees; 6) Able to motivate its employees to work more effective and to improve their performance; 7) Able to comprehend by all its employees.

# Job Ability

Robbins[23], suggest that ability is the capacity of an individual to deal with several task within a job. Ability contain several elements such as manual skill and intelectual skill, even personal characteristic possess by the individual. This elements also reflected the education, training and experience demanded according to work details. The real ability is an element of work implementation and needed to allowed the employees to work in certain manner. This variable would be measured through indicator suggested by Blanchard and Hersey[24], which are 1) Technical ability, 2) Conceptual ability and 3) Social ability.

# **Employees Performance**

Performance is an implementation of plans determined by considering resources capacity. Performance implementation was done by human resources who had the ability, competence, motivation and interest. As organization would appreaciate and treat its human resources, it would affect the attitude and behavior of human resource to achieve performance. Performance definition in here was not meant to judge its individual characteristic but to referred to some result obtained in certain period of time. Robbins[23], suggest that performance is interaction function between ability (A), motivation (M) and opportunity (O), resulting Performance = f(AxMxO).

Based on the above description, performance meant in this study is one's act in completing the job to obtain certain result. This act would contain result, incentive and productivity resulted from process focused on predetermined objectives and by fulfilling the implementation standard and the expected quality.

Employee's performance, according to Hasibuan, suggested performance (work achievement) is a work result obtain by someone in completing the task given to him based on his aptitude, experience, sincerity and time. This variable would be measured through indicators suggested by Sutiyono [25], which are 1) working quality; 2) working quantity, 3) knowledge, 4) reliability, 5) attendance and 6) cooperation.

# IV. Study Method

# **Study Design**

This study is an explanatory research study, which is a study that test the relationship between variables according to Sugiyono[26]. Based on data analysis, this study would analyzed data from sample using inductive statistic to generalize study result over population. This study was done in PT. Bank Perkreditan Rakyat Hasamitra in South Sulawesi Province. Approach used in this study is quantitative approach. Population in this study is employees of PT. BPR Hasamitra in South Sulawesi Province. Its current employees is 120 people. This amount was spread over in 1) Main Office in Kotamadya Makassar, 2) Cash Office in Jln Urip Sumoharjo, Kotamadya Makassar, 3) Branch Office in Kotamadya Makassar, 4) Branch Office in Kabupaten Gowa, 5) Branch Office in Kabupaten Bone, and 6) Branch Office in Kotamadya Palopo. Sample determination was using purposive sampling technique, with amount of 54 employees as sample of this study. In questionnaire design, there were several indicator that reflected latent variable and statement item was arrange in the form of closed statement with Likert scale, validity and reliability test was also conducted. Analysis method used to test hypothesis is variance-based Structural Equation Model (SEM) with Partial Least Square (PLS) program.

# Variable Data Measurement

Variable in this study consist of exogenous variable that are job training and reward, while intervening variable consist of job ability and endogenous variable is employee's performance. Job

training variable would be measured through indicator suggested by Rivai that are a) Material needed, b) Method being used, c) Ability of training instructor, d) Facility of training, e) Training participant. Next, reward variable would be measured through indicator suggested by Patten, consist of 1) Sufficient, 2) Fair, 3) Balance, 4) Effective from finance point of view, 5) Fulfilling the life needs of employees, 6) Able to motivate employees, and 7) Able to comprehend by all employees.

Job ability variable would be measured through indicator suggested by Blanchard and Hersey[25], that is 1) Technical ability, 2) Conceptual ability, and 3) Social ability. Employee's performance variable would be measured through indicators suggested by Sutiyono, that are 1) Working quality, 2) Working quantity, 3) Knowledge, 4) Reliability, 5) Attendance and 6) Cooperation. Those variables would be transformed into question asked toward respondent and would be measured using Likert scale (Sugiyono, 2013)[26].

# V. Hypotheses Testing

# **Hypotheses Testing in Structural Model (Inner Model)**

Hypothesis in PLS method was tested using inner model (structural model).

Hypothesis in this study consist of 5 hypothesis in 2 endogenous variable. First two hypothesis was suggested that job training (X1), reward (X2) has significant effect toward employee's job ability (Y1). Third hypothesis presume that there are direct and indirect effect of job training (X1) toward employee's performance (Y2) through mediation of employee's job ability (Y1). Fourth hypothesis presume that there is direct and indirect effect of reward (X2) toward employee's performance (Y2) mediated by employee's job ability (Y1). Other hypothesis was expecting the effect of job ability (Y1) toward employee's performance (Y2). Result of hypothesis testing can be viewed from figures below;

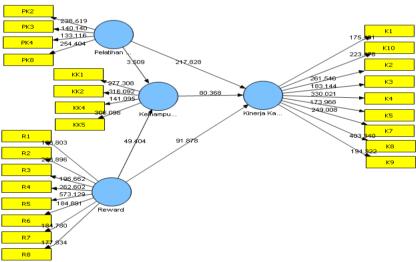


Figure 5.1 Path Diagram for Testing Results of Inner Model Hypothesis

Table 1 Date Caree day (Manage CEDEN TO Malane)

Hinotogia	Original	Comple	Standard	Standard	T Statistics
Hipotesis	Original	Sample	Standard	Standard	
	Sample	Mean (M)	Deviation	Error	( O/STERR )
	(O)	, ,	(STDEV)	(STERR)	
job training -> job	0.021894	0.023309	0.006239	0.006239	3.508926
ability					
Reward -> job	0.279340	0.279132	0.005654	0.005654	49.404057
ability					
job training ->	0.609103	0.608498	0.002796	0.002796	217.828019
performance					
Reward ->	0.237835	0.238126	0.002589	0.002589	91.878377
performance					
job ability ->	0.251961	0.252191	0.003135	0.003135	80.368304
performance					

#### A. Hypothesis 1 Testing

Analysis result showed that the effect of job training toward job ability is significant with T-statistic 3,50 (>1,96). Sample estimate original value is positive with 0,02 which showed that direction

of relationship between job training with job ability is positive. Therefore, hypothesis  $H_1$  in this study which stated "job training has effect toward employee's job ability" can be accepted.

### B. Hypothesis 2 Testing

Analysis result showed that the effect of reward toward job ability is significant with T-statistic 49,40 (>1,96). Sample estimate original value is positive with 0,27 which showed that direction of relationship between job training with job ability is positive. Therefore, hypothesis  $H_2$  in this study which stated "reward has effect toward employee's job ability" can be accepted.

## C. Hypothesis 3 Testing

Analysis result showed that the effect of job training toward performance is significant with T-statistic 49,40 (>1,96). Sample estimate original value is positive with 0,60 which showed that direction of relationship between job training with employee's performance is positive. Therefore, hypothesis  $H_3$  in this study which stated "job training has effect toward employee's performance" can be accepted.

## D. Hypothesis 4 Testing

Effect of job training toward performance through mediation of job ability has showed positive relationship with total calculation reaching 0,6146. This calculation is larger than direct relationship coefficient between job training toward employee's performance with coefficient only 0,6091. Therefore it can be concluded that hypothesis  $H_4$  which stated that "job training has effect toward employee's performance and mediated by job ability" can be accepted.

#### E. Hypothesis 5 Testing

Analysis result showed that the effect of reward toward performance is significant with T-statistic 91,87 (>1,96). Sample estimate original value is positive with 0,23 which showed that direction of relationship between reward toward employee's performance is positive. Therefore, hypothesis  $H_5$  in this study which stated "rewared has effect toward employee's performance" can be accepted.

# F. Hypothesis 6 Testing

Reward does showed positive relationship with performance mediated by job ability, with total calculation reaching 0,30. This result is larger than direct relationship coefficient between reward toward employee's performance in which coefficient is only 0,23. Therefore it can be concluded that hypothesis  $H_6$  which stated that 'reward has effect toward employee's performance through job ability mediation' can be accepted.

## G. Hypothesis 7 Testing

The same thing goes with job training and reward, job ability had the positive and significant relationship toward performance with T-statistic about 80,36 (>1,96). Sample estimate original value is positive with 0,25 which showed that direction of relationship between job training toward employee's performance is positive. Therefore, hypothesis  $H_7$  which stated that "job ability has effect toward employee's performance" can be accepted.

#### Total Coefficient of Determination $(Q^2)$

Test result of goodness of fit inner model showed that total R square coefficient is 0,6172. This result describe that study model which tested the effect of job training (X1), reward (X2) toward job ability (Y1) and its effect toward employee's performance (Y2), has relevant prediction level. Predictive relevance value 0,6172 indicated that data vary (information contained within) this study can be explained by study model for 61,7% while the remaining 38,3% can be explained by other variable not included in this study's survey. Goodness of fit testing has showed that this study's model is good enough to predict relationship between construct, since it is able to explain 61,72% from the overall information.

# VI. Research Finding

Based on this study result as explained above, this section would describe discussion between variables related with theory and previous study's results.

# 1. Effect of Job Training Toward Employee's Job Ability

Based on hypothesis testing, it showed that job training has positive and significant effect toward employee's job ability, thus it means that job training has capable in influencing employee's job

ability in significant way. Job training given toward employees in routine and sustainable manner would be able to improve employee's job ability, this ability can be technical ability, social ability and conceptual ability.

PT. BPR Hasamitra has conduct training program with the purpose to create an employee with ability to complete his task and responsibilities, improving knowledge, skill or employee's attitude and thus the expected result would affecting the working spirit of the employees to become better and bring maximum result for the company. Result obtained through job training would be in the form of technical ability, conceptual ability and social ability. These abilities would be simultaneously needed by the firm, especially if the employee has maximum ability, the firm's ability would also improve in order to grow and developed in bank perkreditan rakyat business within globalization era.

Several theoretical literature has support this result concerning the effect of job training toward employee's job ability. Theoretically speaking by Atmodiwirio[27], he suggest that training would be able to improve individual and organizational ability, it is also said by Soeprihanto (2000) and Mahmudhitya et al.[28] which suggest that 'Training is the activity to repair employee's ability by increasing the knowledge and operational skill to finish the job'. Their study result showed that there is significant effect of training toward job ability.

# 2. Effect of Reward Toward Employee's Job Ability

Based on hypothesis resting, it showed that reward has positive and significant effect toward employee's job ability, thus every additional reward given for one unit, it would increase employee's job ability for the same amount.

PT. BPR Hasamitra has given reward toward their permanent and contractual employee in the form of financial award (salary, hospital benefit, position benefit, retirement fund, bonus, incentive etc) and non financial award (the best employee, position promotion, office vehicles, special facilities, holiday etc).

Those reward has special criteria in accord with company policies and would consider working ability possess by individual. If working achievement target (working quantity and quality) has been achieved, thus reward would be given in the form of bonus, acknowledgment as the best employee and faster promotion.

Employee with best record track would surely has the opportunity to obtain higher position, with larger responsibilities and higher salary. On the contrary, for those who cannot reach their working quantity and quality target would lose the opportunity in becoming the best employee. Human resources division of BPR Hasamitra has always measure and assess employee's performance, for those recorded having under average performance would have to deal with debriefing in order to give motivation in improving his performance, but if this debriefing has been done and the result is still below expectation, the firm would give verbal and written warning before dismissal was issued toward this employee.

Next, result of study conducted by Scott, Dow & Tom McMullen [29], revealed that reward has effect toward employee engangement. Employee engagement is emotional attraction toward the job and organization, motivated and able to give their best effort that help them to bring real benefit for the firm and individual (McLeod, 2004)[30]. This finding was supported by other study conducted by Bethge and Radoschewki FM[31], in which they were reviewing the effect of unbalance reward toward employee's performance, and resulting that unbalance reward given toward employees was related with reduction in mental health working ability and physical function of employees from time to time.

# 3. Effect of Job Training Toward Employee's Performance

Based on the hypotheses testing result which showed that job training has effect toward employee's performance, it means that if PT. BPR Hasamitra would continuously conduct routine and sustainable job training, it would improve employee's performance.

PT. BPR Hasamitra before conducting job training has planning on their needs for employees, they would announce a recruitment, conducting employee's selection, and conducting basic banking training for 2 weeks. After following this training, employees would be able to finish their job according to the firm's standard, improvement in accurate work, carefulness and tidiness of the job which has already fulfilling the quality standard of the firm, able to bear more responsibility in this job and able to adjust his working quality as expected by the firm, employees would also becoming punctual in implementing duties or the job that become the responsibility in accord with predetermined target and employees would feel increasing time targeting given by the firm to complete his job.

Several literature has supported this finding, particularly regarding the effect of job training toward employee's performance. For example Sunyoto [32], suggested that job training can affecting employee's performance particularly in its productivity improvement and its work achievement, other

work such as Sjafri in Yani (2012:82)[33], suggest that job training for employees is a process to teach knowledge and certain skill also some attitude so that the employee would become more skillful and able to bear his responsibility in better way, according to the standard. Shephard, Jon *et al.* [34] also suggest that training and development in overall would be able to improve organizational performance.

# 4. Effect of Job Training Toward Employee's Performance Mediated by Job Ability

Coefficient measurement result for this path showed positive relationship between job training and employee's performance mediated by job ability, it means that PT. BPR Hasamitra has continuously conducting job training with the purpose to improve job ability which would also improving employee's performance.

Coefficient measurement result of job training path toward employee's performance mediated by job ability with 0,61 is larger than coefficient of direct path between job training and employee's performance with only 0,60.

Job training conducted by PT. BPR Hasamitra has been integrated with improvement in employee's job ability. To improve employee's job ability, human resources division has held several program such as during job training, employees was given comprehension concerning basic banking knowledge, organization management until special training regarding their own job description (off the job training). Subsequently, they would be put into position in accord with their expertise such as for example in customer service, in which with this job they would do on the job training guided and supervised by Head CS. Besides those training, certain employees would obtain the opportunity to do job training and on the job training outside of BPR Hasamitra, for example concerning taxation training held by Lembaga Pengembangan Perbankan Indonesia (LPPI). Other than development and improving their technical and conceptual skill, employees would also gain development in social skill such as by conducting charity, supporting and participating in social events, etc.

#### 5. Effect of Reward Toward Employee's Performance

Based on the hypothesis testing result, it showed that reward has positive and significant effect toward employee's performance, in interview result it is revealed that PT. BPR Hasamitra has given several rewards toward their employees. It is adjusted with the working ability possessed by the individual, his work load, responsibility and company's ability. Although it is admitted that there were still some gap between employee's expectation and real reward given to them, the firm has possess several alternative such as reward in non financial form such as in promotion and or interpersonal award to retain high performance worker and all other employees for motivational improvement and loyalty toward the firm to create a better performance. PT. BPR Hasamitra has given reward toward their employees in the form of salary, child benefit and incentive for all their employees, permanent or contractual employees. For certain employees, they were given position wise benefit, office vehicles and other facilities. All these was given in an effort to improve employee's performance and to motivate the employees to become more productive.

This findings was supported by finding by Thomas et al. [35], which revealed that reward given in the form of financial or non financial or combination of both has been proven to give positive effect toward employee's performance from several bank in Kenya, and Pujiastuti [36] suggest that reward has statistic significantly influencing employee's performance. Award should be given based on performance assessment, salary was suppose to be given for performance achievement and not based on seniority. Besides, study result by Kuswantoro [37], showed that reward has positive and significant effect toward employee's performance. This is in accord with the study result of Dwi Koencoro [38], which suggest that reward toward employees would bring positive contribution toward employee's performance.

# 6. Effect of Reward Toward Employee's Performance Mediated by Job Ability

Based on the hypothesis testing result, it showed that reward has positive and significant effect toward employee's performance, in interview result it is revealed that PT. BPR Hasamitra has given several rewards toward their employees. It is adjusted with the working ability possessed by the individual, his work load, responsibility and company's ability. Although it is admitted that there were still some gap between employee's expectation and real reward given to them, the firm has possess several alternative such as reward in non financial form such as in promotion and or interpersonal award to retain high performance worker and all other employees for motivational improvement and loyalty toward the firm to create a better performance.

PT. BPR Hasamitra has given reward toward their employees in the form of salary, child benefit and incentive for all their employees, permanent or contractual employees. For certain employees, they

were given position wise benefit, office vehicles and other facilities. All these was given in an effort to improve employee's performance and to motivate the employees to become more productive.

### 7. Effect of Job Ability Toward Employee's Performance

Based on hypothesis testing result, it showed that job ability has positive and significant effect toward employee's performance. This also means that better job ability possessed by an employee would brought positive change toward his own performance, or if employee's job ability is of high quality, thus his performance would be of high quality.

Good job ability possessed by employees can be seen from good employee's performance. This was supported by education level and working experience also sufficient initiative (employee engagement). HR division has conduct several program to improve employee's ability which integrated with education system and sustainable training, in which this education and training was given toward all employees in proportional manner according to different level and classess. This would able to trigger job ability and employee's achievement from management but also able to give reward for the employees. It is concluded that between job ability with employee's performance showed a strong relationship. This was seen by employee with lower job ability would tend to have lower performance. While for employee with higher job ability would tend to have higher performance.

#### VII. Conclusion

Based on study results mentioned above, it can be concluded as follows: Result of this study showed that the importance of job training for employees in PT. BPR Hasamitra in South Sulawesi Province has able to improve and develop the job ability which would implicated the firm, particularly in human resources division to always encourage job ability development and employee's productivity through improvement of ability and skill measured in job training (on the job training and off the job training).

There were effect of job training for employees in PT. Bank Perkreditan Rakyat Hasamitra in South Sulawesi Province, also reward distribution toward job ability improvement and working quality of employee's either in technical operational as bank perkreditan rakyat or in conceptual and social ability of employees to achieve credit growth predetermined by the firm. This study also showed that there are direct and indirect effect between job training and reward distribution toward performance improvement mediated by employee's job ability.

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