



Factors Affecting Career Development: Worker Performance Roles As Mediators

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| ARTICLE INFO | ABSTRACT |
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| Published Online: 08 May 2018 | This study aims to analyze the effect of remuneration variables, employee placement, employee ability, and work ethic of employees on employee performance. In addition, also analyze whether the influence of employee performance variable as a mediation variable in the relationship. This research was conducted at General Hospital Zainoel Abidin Banda Aceh. The sample was taken with census method as many as 141 administrative personnel at General Hospital Zainoel Abidin Banda Aceh. Primary data were obtained by distributing questionnaires to all personel administrative staff. Data were analyzed by using SEM. The analysis tools used are AMOS program. The results showed that the variable remuneration, placement, ability, and work ethic have a significant effect on employee performance variable and also directly affect the career development variable of administrative staff. In addition, employee performance variables mediate the influence between remuneration variables, placement, ability, and work ethic on career development variables. |
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| KEYWORDS: Career, performance, remuneration, placement, ability, work ethic. | |

1. INTRODUCTION

Employee career development is an interesting phenomenon to be discussed, because career development concerns the history of an employee during his life. We observe that every employee who works at Zainoel Abidin General Hospital Banda Aceh is not very concerned about their career, especially middle-level employees, but at the middle to upper level they are very serious to fight for their career to be achieved in accordance with expectations and always strived for.

Actually career and career development in an employee in an organization does not stand alone. One's career development is certainly influenced by several factors. We suspect that worker performance, remuneration, placement, ability, and work ethic of an employee as a factor affecting career development. Therefore, our research emphasizes these factors. Employee or employee performance may be suspected as a factor affecting a career, due to its good performance as a valuable contribution to the organization of the hospital. Committed organizations certainly pay attention to employees who have good performance (Hernaus & Mikulic, 2014; Raouf, 1992).

In addition, we consider remuneration as a factor that can affect career development, because with satisfactory remuneration of workers, they will improve their

performance according to their individual skills and expertise (Hu & Schaufeli, 2011). Remuneration provided by organizations where a person works not only can support their career, but also can support economic growth (Edvinsson & Camp, 2005).

Placement is a function of human resources management. A person who has been recruited must be placed in accordance with his abilities and expertise. If this is carried out properly and correctly we certainly suspect it can lead to improved performance. The placement of results-oriented and consistent employees within a certain time frame, it will succeed in achieving excellence in business (Khan, 1991).

Furthermore, the ability factors that we consider to influence the development of an employee's career. Ability resides in one's personality in carrying out one's work. Most of these abilities are the result of education and training which they can then apply well in the work, so a person's ability has significant relevance to career performance and development (Butcher & Harvey, 1998).

Career development and worker performance, in addition to being influenced by the factors discussed above are also influenced by work ethic. We consider work ethic to affect employee performance and career development as well. It is based on the notion of work ethic as a work-

oriented behavior phenomenon that is oriented to good intentions in work (Rokhman, 2010; Hashi, 2011). If a worker behaves in accordance with the expected by the organization, they are considered to have performance, further assessment is rewarded. If an award can be obtained then of course career can be increased. Individual ethics on decision-making is influenced by individual demographics and organizational context that includes reference groups, rewards and sanctions (Pathardikar et al., 2016).

2. LITERATURE REVIEW

Career development

According to Hall (1976: 4) careers are attitudes and behaviors that are sequentially associated by individuals with regard to experience and activity in living a job over one's life span. Correspondingly, McDaniels & Gysbers (1992: 138) defines career development as a total constellation of psychological, sociological, educational, physical, economic, and opportunities factors that combine to shape a particular individual career over a lifetime. Theorists and career development practitioners will benefit from reviewing work-related logotherapy (Schultze & Miller, 2003). Career development can be described as a process to achieve specific employee and organizational goals, including providing career information to employees, helping employees identify development opportunities, increasing job satisfaction, and increasing employee productivity (Bernes & Magnusson, 1996).

Worker performance

Worker performance in other studies is also called Individual Work Performance (IWP) (Koopmans et al., 2013). According to Cambell (1990: 704) worker performance is the behavior or action of a worker who is shown relevant to the goals of the organization. So the worker performance focuses on employee activity, not focus on the outcome of the activity. Individuals must be able to control their actions. This behavior is not influenced by the environment (Rotundo and Sackett, 2002). Worker performance of an employee describes the quantity and quality of work, skills and knowledge of work (Rotundo and Sackett, 2002; Campbell, 1990). Ohme & Zacher (2015) found employee careers related to their performance.

Remuneration

According to Ornstein (2011) said that the variable remuneration is not limited to bonus payments. But the remuneration covers every element of payment that is not fixed, including commission payments. The opinion is reinforced by Urbancova & Snyderova (2017) which says remuneration is a payment or compensation received for services or employment and includes basic salaries, bonuses and other economic benefits received by employees or executives during work. Abdullah (2006) result of research analysis indicate that healthy company, ROA and remuneration of directors relate negatively and significantly.

Placement

The placement system (Teresia & James, 2013) is defined as a series of employment components, particularly in placing the right man on the right place, and is designed to achieve utility and usefulness as large as the plan predefined. Clearly defined goals for placing personnel are not always appreciated by line managers. Based on experience that placing employees in accordance with clear goals will help their career, in turn the organization can grow and develop (Khan, 1991).

Ability

Ability is a form of competence to carry out a job or task based on skills and knowledge and supported by the work attitude required by the work (Wibowo, 2010: 324). Robbins & Judge (2009: 139) ability can be innate ability of birth. Ability can also be called by competence which means ability, power, authority, skill, knowledge, and skill, ability and authority. A well-practiced responsible ability can contribute to career development and contribute significantly to the organization (Butcher & Harvey, 1998). Surveys show a positive relationship between competence and career success and career satisfaction (Hennekam, 2015).

Work Ethic

According to Adeyeye et al. (2015), the work ethic is an attitude that arises from the will and the awareness itself based on the system of cultural values orientation to work. It can be seen from the foregoing statement that the work ethic has the basis of cultural values, from which it is the cultural values that constitute the work ethic of each person. Most authors define work ethic based on the concept of Islamic Work Ethics (IWE) proposed by Professor Abbas Ali, as a set of moral principles that distinguish what is right from what is wrong (Rokhman, 2010; Hashi, 2011; Salahuddin, et al., 2016; Wisker & Rosinaite, 2016). Pathardikar et al. (2016) found that employees conducting ethical practices in the workplace would have a positive outcome on individual career satisfaction, and discouraged moving to another organization.

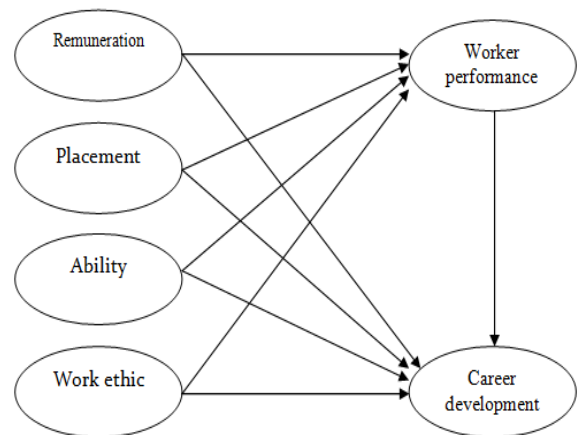


Figure 1. Research framework

3. METHODOLOGY

The sample of the research was 141 employees of General Hospital Zainoel Abidin Banda Aceh taken using census method. Primary data obtained by distributing questionnaires to all respondents who have been set as above. Data were analyzed using Structural Equation Modeling (SEM) which was run with Analysis of Moment

Structure (AMOS) device.

4. RESULT & DISCUSSION

Table 1 shows the analysis of the description of each variable analyzed. Variable work ethic shows in the perceived category less good by the respondent, but as a whole the result of respondent perception description shows in good category.

Table 1. Result of Descriptive Analysis

| Indicator | Average | Category |
|--------------------|---------|----------|
| Remuneration | 3,68 | Good |
| Placement | 3,70 | Good |
| Ability | 3,70 | Good |
| Work ethic | 2,82 | Not Good |
| Worker performance | 3,74 | Good |
| Career development | 3,67 | Good |

Source: Primary data, 2017 (Process)

The exogenous variable has a relationship strength in order to predict the endogenous variable in this case is (worker performance and career development). To see the extent of

the relationship between the exogenous variables can be seen in Table 1, where each exogenous variable is a significant correlation at level (0,000) or with a sign (***)

Table 2. Result of test exogenous variable covariance

| Variables | | Estimate | S.E. | C.R. | P | Label | |
|--------------|------|--------------|-------|-------|-------|-------|-------|
| Work ethic | <--> | Remuneration | 0.441 | 0.107 | 4.126 | *** | par_1 |
| Ability | <--> | Placement | 0.166 | 0.041 | 4.068 | *** | par_2 |
| Remuneration | <--> | Ability | 0.270 | 0.061 | 4.440 | *** | par_3 |
| Work ethic | <--> | Placement | 0.345 | 0.077 | 4.500 | *** | par_4 |
| Work ethic | <--> | Ability | 0.259 | 0.069 | 3.751 | *** | par_5 |
| Remuneration | <--> | Placement | 0.305 | 0.064 | 4.764 | *** | par_6 |

Source: Primary data, 2017 (Process), Note: *** level of significant = 0.001

Figure 2 is the result of model suitability test between exogenous variable, from the test result where obtained the index value: Chi-square = 67.539; GFI = 0.939; AGFI = 0.905; TLI = 0.984; and RMSEA = 0.325, the indices obtained are meeting the requirements for the suitability of

the model, therefore it can be said that the exogenous variables have a good relationship between latent variables and between indicators of latent variables (remuneration, placement, ability, and work ethic).

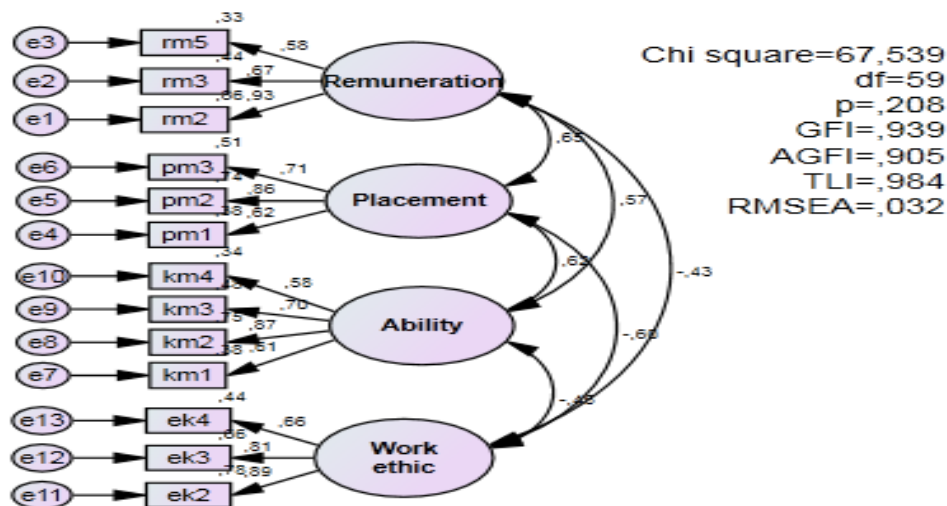


Figure 2. Conformity test results model between exogenous variables

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Table 3 is the result of the correlation test between the exogenous variables, where between the exogenous variables in addition to having a strong relationship as shown in table 2, but also has a positive relationship or

linear relationship. It can be seen where all loading factor (estimate) is positive. With these positive results, the exogenous variables will be able to predict the endogenous variable.

Table 3. Correlation test results between exogenous variables

| Variables | | Estimate | |
|--------------|------|--------------|-------|
| Work_Ethic | <--> | Remuneration | 0.434 |
| Ability | <--> | Placement | 0.624 |
| Remuneration | <--> | Ability | 0.572 |
| Work_Ethic | <--> | Placement | 0.603 |
| Work_Ethic | <--> | Ability | 0.450 |
| Remuneration | <--> | Placement | 0.648 |

Source: Primary data, 2017 (Process)

Table 4 shows the effect of exogenous variables on worker performance, where remuneration, placement, ability, and work ethic have significant effect on worker performance at the 0.001 (two-tailed) level. In addition, the exogenous

variables also have a significant effect on endogenous (career development) on the 0.005 (two-tailed) level, while the ability variable significantly influences the level of 0.001 (two-tailed).

Table 4. Results of Influence Analysis Between Exogenous and Endogenous Variables

| Variables | | Estimate | S.E. | C.R. | P | Label |
|--------------------|-------------------------|----------|-------|-------|-------|--------|
| Worker_Performance | <--- Remuneration | 0.324 | 0.069 | 4,690 | *** | par_16 |
| Worker_Performance | <--- Placement | 0.618 | 0.140 | 4,423 | *** | par_17 |
| Worker_Performance | <--- Ability | 0.632 | 0.134 | 4,728 | *** | par_18 |
| Worker_Performance | <--- Work_Ethic | 0.249 | 0.058 | 4,313 | *** | par_19 |
| Career_Development | <--- Worker_Performance | 0.346 | 0.115 | 3,010 | 0.003 | par_27 |
| Career_Development | <--- Remuneration | 0.169 | 0.062 | 2,700 | 0.007 | par_28 |
| Career_Development | <--- Placement | 0.365 | 0.127 | 2,876 | 0.004 | par_29 |
| Career_Development | <--- Ability | 0.548 | 0.168 | 3,262 | *** | par_30 |
| Career_Development | <--- Work_Ethic | 0.988 | 0.310 | 3,189 | 0.001 | par_31 |

Source: Primary data, 2017, (Process), Note: *** level of significant = 0.001

Figure 3 is the result of testing the model of goodness-of-fit, from the test results graphically show that the model is expressed fit, with the index value: Chi-square = 67.539;

GFI = 0.939; AGFI = 0.905; TLI = 0.984; and RMSEA = 0.325, the index value falls into the eligible category.

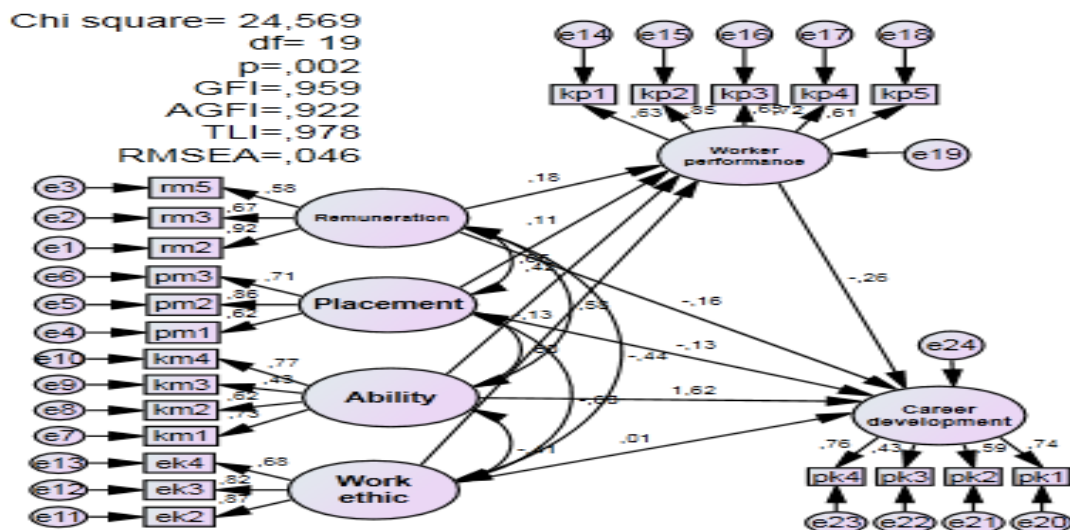


Figure 3. Result of analysis of goodness-of-fit model completely

The influence of worker performance variables as mediation.

Table 5 shows the effect of worker performance variable as a mediation variable on the relationship between exogenous

variables and endogenous variables (career development). Remuneration, placement, ability, and ethic work have effect of 0.031; 0.036; -0.113; and 0.020.

Table 5. Result of analysis Influence of mediation variable (Worker performance)

| Variabel | Standardized Indirect Effects (Group number 1 - Default model) | | | |
|--------------------|--|-----------|---------|------------|
| | Remuneration | Placement | Ability | Work ethic |
| Worker performance | 0.00 | 0.00 | 0.00 | 0.00 |
| Career development | 0.031 | 0.036 | -0.113 | 0.020 |

Source: Primary data, 2017 (Process).

5. CONCLUSION

From the results of the above analysis, the following conclusions can be drawn:

There is a significant influence of exogenous variables (remuneration, placement, ability, and work ethic) on worker performance variables, at the significance level of 0.001 (two-tailed). In addition, there was a direct effect of variables (remuneration, placement, work ethic, and worker performance) on endogenous variables (career development) at the significance level of 0.005 (two-tailed), while the ability variable had an effect on the significance level of 0.001 (two-tailed). Furthermore, it was found that worker performance variable as a mediation variable, mediating the effect of remuneration of 0.031; variable placement = 0.036; variable ability = -0.113; work ethic variable = 0.020, to career development variable.

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