

# THE EFFECT OF TRAINING ON IMPROVING EMPLOYEE PERFORMANCE: EVIDENCE FROM RETAIL INDUSTRIES IN RANTAUPRAPAT, INDONESIA

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## Abstract

Training is one of the efforts to develop employee competency at work. This study examines the effect of training on employee performance in the retail industry in Rantauprapat. Research using quantitative methods. The number of samples in this study were 30 respondents. The results of the study show that there is a positive and significant effect of training on employee performance. This means that training is very optimal and good for increasing employee competence so that employee performance will also increase. The suggestion of this research is that it is hoped that training will continue to be improved to increase employee competency and will ultimately improve employee performance at work.

**Keyword :** Improving Employee Performance, Evidence, Retail Industries

## INTRODUCTION

Employee performance is one very important thing to improve employee performance. Employee performance is needed to improve employee performance in the retail industry in Ran(Adzansyah et al., 2023). Therefore, companies must continue to foster and carry out employees with the aim of achieving company goals.

Training has a very important role in increasing the capacity and work ability of employees. Therefore the training program is very appropriate to continue to be carried out on an ongoing basis. According to Sugeng et al., (2020) One of the factors that can improve employee performance is training. Agree with Kosdianti & Sunardi, (2021) states that new employees need to get a training program so that these employees have the skills needed to do their job.

Various previous research findings indicate that training is one of the factors that can improve employee performance (Robby & Sutiyaniti, 2021); (Princess & Ratnasari, 2019). The results of research conducted

by (Hartono, T, & Siagian, 2020). The training provided by the company can encourage an increase in employee performance at work (Sendawula et al., 2018).

Thus, based on the description of the background above, the purpose of this study was to determine the effect of training on employee performance in the retail industry in Rantauprapat.

## LITERATURE REVIEW

Having employees with high performance is expected by the company. Performance can be interpreted as the achievement of work that is owned by an employee in a certain period (Nasution et al., 2022; Harahap et al., 2022; Niati et al., 2021; Nuraini et al., 2022). According to Adzansyah et al., (2023) basically, the high performance of an employee is an important factor in driving the achievement of company goals. 5) Motivation, 6) Intellectual ability, 7) Organizational Culture.

Training for employees (new/old) needs to be carried out so that employees are able and ready to be placed in certain positions within the company, which means they are able to work and willing to comply with all the rules set by the company. For old employees, human resource training is used as a basis for increasing skills and job transfers and employees who have been working for a long time will be required to have greater responsibility, thus requiring employees to attend training. Currently training is given to every employee in the company, including administrative employees and managerial staff (Kosdianti & Sunardi, 2021). Another opinion by Hartono, T, & Siagian, 2020) Training is a method for honing skills and providing input, in an optimal ethical manner so that employees can carry out their obligations in working optimally with the provisions of company goals.

Training to be an important component for improving employee performance and for achieving organizational growth and success. If employees are properly trained, they will become more efficient and productive. Companies can improve and improve the quality of current employees by providing them with opportunities to learn and improve their skills (Robby & Sutiyaniti, 2021). Companies must be able and willing to provide training to employees. This aims to improve the skills and knowledge of employees in carrying out the tasks assigned by the company (Humaira et al., 2020). Organizations should always try to encourage the motivation and future performance of their employees by linking payments, such as pay raises and promotions, to the value of the performance appraisal structure.

## METHODS

This research is a research with a quantitative approach. The research was conducted at Brastagi Supermarket in Labuhanbatu Regency. The sample in the

study amounted to 30 people. The collected data is processed using SMART PLS software.

## RESULTS

### OuterModel

The outer model is a step in measuring the relationship between latent variables and their indicators. The factor loading value shows the correlation between the indicator and the construct. An indicator with a low loading value indicates that the indicator does not work in the measurement model. expected loading value  $> 0.7$ . Based on the results of the outer model research can be seen in the following table:

**Table 1. Outer Loading**

	performance	Training
P1	0.741	
P2	0.866	
P3	0.938	
P4	0.865	
P5	0.876	
P6	0.782	
T1		0.858
T2		0.905
T3		0.793
T4		0.874
T5		0.896

Based on the table above shows that the loading factor value is  $> 0.70$ , thus it can be concluded that the indicators in this study are valid in measuring the latent variables.

### Hypothesis testing

Testing the hypothesis in this study tested the effect of training on employee performance in the retail industry in Rantauprapat. Hypothesis testing can be seen from the t-statistic value, namely  $> 1.96$  and the probability value  $< 0.05$ . The results of hypothesis testing can be seen in the following table:

**Table 2. Hypothesis Testing**

	Original Sample (O)	Sample Means (M)	Standard Deviation (STDEV)	T Statistics ( O/STDEV )	P Values
<b>Training -&gt; Performance</b>	0.662	0.713	0.097	6,841	<b>0.000</b>

Table 2 above shows that training has a positive and significant effect on employee performance in the retail industry in Rantauprapat. This can be seen from the t-statistic value of  $6,841 > 1.96$  and the probability value of  $0,000 < 0.05$ .

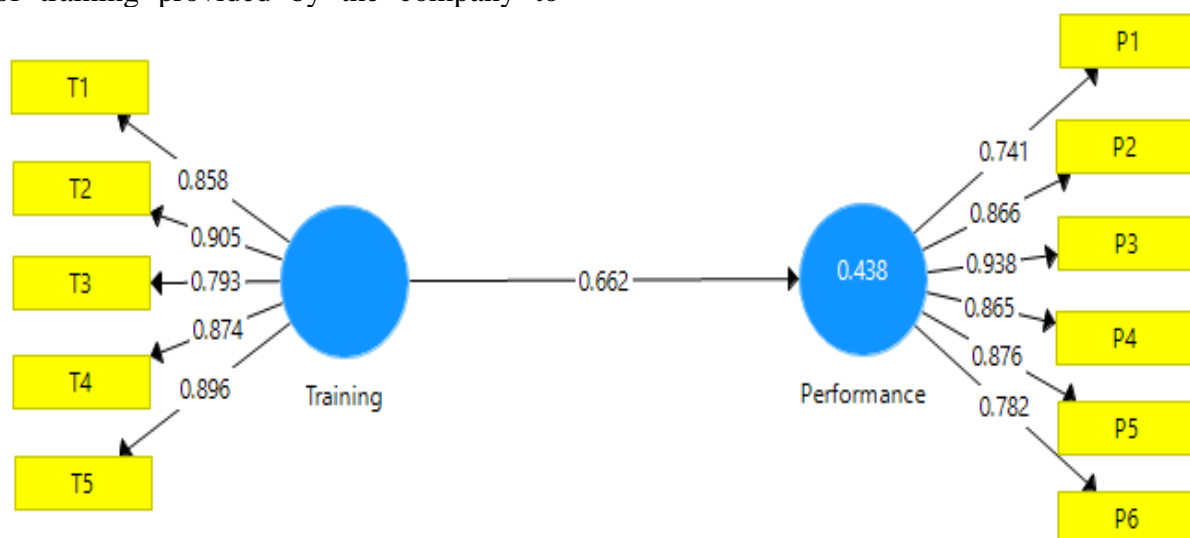
## DISCUSSION

This study aims to explore the effect of training on employee performance at a retail company in Rantauprapat, namely Brastagi Supermarket. The training provided to employees encourages the realization of increased employee performance. Training increases the knowledge and competence of an employee will also increase.

The results of the study indicate that there is a positive and significant influence between training on employee performance. This can be seen from the probability value of 0.000. Thus it can be concluded that the training that employees participate in can improve employee performance. This means that every increase in training will also increase employee performance at work. If the training program is low or there is a lack of training provided by the company to

employees, then this will have an impact on decreasing employee performance. A dynamic environment, and constantly changing, requires companies to continuously adapt and innovate. Therefore, the skills possessed by employees must also be continuously developed so that employees can easily adapt to the changes made by the company.

The research findings are in line with the research findings conducted by Sendawula et al., (2018) which shows that there is a contribution of training to improving employee performance. Research findings by Yusuf et al., (2020) also showed the same results found that employee performance can be improved by the existence of a training program provided by the company. The training program is also an advantage of a company because with this program, the company is proven to continue to try and contribute to developing the potential of its employees (Humaira et al., 2020). It can be explained that there is a relationship between training programs and improving employee performance at work.



**Figure 1. Structural Model**

## CONCLUSSION

Training is an important element for the company. Training must be carried out routinely so that employees have good capacity and competence. The results of the study show that employee performance is influenced by training. This means that the better the training provided, the employee's performance will also increase.

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