

Antecedents of Career Development and Its Impact on Employee Performance: An Empirical Study in Indonesia

Kusnadi KUSNADI¹, Johan Hendri PRASETYO², Markonah MARKONAH³, Joko ARIAWAN⁴

Received: June 30, 2022 Revised: September 18, 2022 Accepted: September 30, 2022

Abstract

This research aims to investigate the antecedents of career growth and its impact on employee performance. The research design is quantitative with a causal method. The sample used is 242 respondents working in different hospitals in Banten Province and were selected through the snowball sampling technique. The analytical method used to examine the research model is PLS-SEM. The analysis result shows that work environment and training have an impact on increasing career development and hospital employee performance. Career development can also directly be an antecedent in improving the performance of hospital employees, but only has a moderate effect in mediating the influence of work environment and training on the employees' performance in the hospital. Based on these findings, hospital management in Banten Province must create and maintain a comfortable working environment for employees, offer training specific to each employee's line of work to help them improve their abilities, and create a system for career planning that takes into account each employee's potential.

Keywords: Antecedents, Work Environment, Training, Career Development, Employee Performance

JEL Classification Code: G21, G34, B26

1. Introduction

The most crucial aspect of human life worldwide is health, particularly in light of the Covid-19 pandemic, which has not yet abated, and the shift in lifestyles toward the New Normal era." In addition to these issues, the WHO, the most important organization in the health sector, indicated

that in 2019 low-income nations' life expectancy was 18.1 years lower than that of high-income countries, and even the death rate tends to rise by 56% due to current environmental variables. Unfortunately, the Bloomberg Global Health Index (2022) notes that Indonesia is outside the top 100 healthiest countries in the world, in contrast to neighboring countries such as Singapore and Thailand, which are in the top 10, and Brunei Darussalam, which is in the top 25.

This situation has undoubtedly become a significant problem for Indonesia, notably for the country's health sector, which is trying to concurrently raise the public health standard. The government must work tirelessly to raise the standard of hospitals in Indonesia, and hospital certification organizations must do the same. This is demonstrated by the fact that the National KARS has accredited 2466 hospitals, both public and private. However, this endeavor is viewed as insufficient because, of the 3087 hospitals in Indonesia, only 36 have received international accreditation so far (KARS Nasional, 2018).

Of course, improving hospital quality and offering greater service standards would never be possible without the human resources involved. Hospitals in the Banten Province and other hospitals are thought to benefit greatly from human resources since staff performance serves as a barometer for

¹First Author. Lecturer, Management Department, Faculty of Economics and Business, IMMI College Jakarta, Indonesia. ORCID: <https://orcid.org/0000-0001-6227-4304>. Email: hamas_kus@yahoo.com

²Corresponding Author. Lecturer, Digital Business Department, Faculty of Economics and Business, Universitas Nusa Mandiri, Indonesia. ORCID: <https://orcid.org/0000-0003-0514-0945>. [Postal Address: Jl. Raya Jatiwaringin No. 2, Cipinang Melayu, Makasar, Jakarta 13620, Indonesia] Email: johan.jnp@nusamandiri.ac.id

³Lecturer, Management Department, Faculty of Economics and Business, Perbanas Institute, Indonesia. ORCID: <https://orcid.org/0000-0002-6050-1734>. Email: markonah@perbanas.id

⁴Lecturer, Management Department, Faculty of Economics and Business, Universitas Bina Sarana Informatika, Indonesia. Email: joko.jaw@bsi.ac.id

a hospital's ability to improve its quality (Damayanti et al., 2021). The Banten Provincial Government reported that, as of 2018, 16 out of 27 hospitals were still classified as C and D level, with a referral rate of > 50%. This clearly demonstrates that the hospital staff's performance is still subpar.

The author's pre-survey findings showed that the implementation of the work environment, training, and career advancement at this hospital was not optimum, which is why hospital employees' performance in Banten Province is not yet at its optimum. This is reinforced by the author's observational data, which includes the fact that many hospitals lack proper medical facilities and that they don't offer their employees opportunities for training and career advancement. Additionally, a number of studies have indicated that work environment, career advancement, and training can partially or simultaneously boost employee performance (Ajizah et al., 2015; Riyanto et al., 2017; Shaputra & Hendriani, 2015). However, a number of studies have found that workplace environment and training will lower employee performance (Sofia et al., 2016; Wasiaty, 2016). Likewise, career advancement, work environment, and training have no bearing on employee performance, according to Mandey and Lengkong (2015), Putri (2018), and Rahinnaya and Perdhana (2016).

The authors are interested in working with hospital management and the Banten Provincial Government to jointly improve and increase the quality of hospitals by improving employee performance to improve people's levels of health. Additionally, the authors want to establish whether the work environment and training are internal factors from the primary antecedents of career development and employee performance.

2. Literature Review

The workplace is a setting where employees go to carry out their regular tasks (Astuti et al., 2020). One of the key elements is fostering an environment where employees perform well in the workplace. Employee productivity is directly impacted by the work environment, which will ultimately boost organizational performance. When employees can perform their tasks in an ideal way and are healthy, safe, and pleasant, the working environment is considered to be in good condition. According to Nitisemito (2015), an employee's work environment includes everything that is around them and has an impact on how well they perform the tasks that have been given to them.

Employees are surrounded by a work environment that influences both them and their job responsibilities. According to Nitisemito (2015), an employee's work environment includes everything in and around them and affects how well they do the tasks that have been given to them. This demonstrates how a good working environment will make

employees feel at ease. Employees' level of comfort and enjoyment influences how active, dedicated, and enthusiastic they are in their work, which in turn affects how their career develops in the future.

Career growth is something that is expected by an employee during work because an employee wants to get higher benefits than what was obtained previously (Yoon et al., 2019). Mardiyah and Purba (2019) stated that career growth is a process that describes the efforts or activities of an employee in choosing goals and paths or flow of positions or jobs to achieve their respective career or goals. Furthermore, Gomes (2013) stated that career growth is a benefit that arises from the interplay between individual careers and the career management process at the agency.

Hariandja (2009) revealed that training is a planned effort from the organization to improve the knowledge, skills, and abilities of employees. According to Handoko (2015), training is intended to improve mastery of various skills and techniques for carrying out certain detailed and routine jobs. Training is often used as a way for companies to improve employees' knowledge and skills according to their position. Furthermore, Handoko (2015) said that appropriate training will support employees' career development within the company.

Training is a process by which it provides employees with specific and identifiable knowledge and skills which can be applied in their current job. According to Marzuki (2015), training is teaching or providing experience to someone to develop behavior (knowledge, skills, attitudes) to achieve the goals desired.

According to Aguinis and Kraiger (2009), a systematic approach to training has an impact on improving knowledge, skills, and attitudes, which improve the performance of the individual, the team, and the organization. Additionally, Ataunur and Ariyanto's (2016) research found that a well-executed training process could increase employee performance. Consequently, the training program needs to be organized through scheduled and timed stages to deliver high standards, provide results, and have an impact on employee performance. On the other hand, Nitisemito (2015) stated that the work environment impacts how well employees accomplish the tasks that have been given to them. Additionally, Ismail et al. (2013) and Kwenin (2013), who discovered that a person's career development has a strong relationship with their work environment, stated that a positive work environment at a company would encourage employees to advance their careers which will increase their performance (Riyanto et al., 2017).

Based on these considerations, the hypothesis that can be formed are:

H1: *The work environment plays an important role in improving employee performance.*

H2: *The work environment plays an important role in increasing employee career growth.*

H3: *Career growth plays an important role in improving employee performance.*

H4: *Training plays an important role in increasing employee career advancement.*

H5: *Training plays an important role in improving employee performance.*

H6: *Work environment and training could be perfect antecedents in advancing career growth and employee performance.*

3. Research Methods

This study used a quantitative methodology and a causal approach to assess the causal relationships between various variables (Cresswell, 2016). Employees of the hospitals in the province of Banten were given the study questionnaire via Google Forms. The sampling technique used was snowball sampling, and a sample of 242 respondents was determined based on the Lemmishow formula (Kock & Hadaya, 2018). The data analysis method used in this research was the modeling method (SEM-PLS) to investigate and analyze the hypotheses.

4. Results and Discussion

4.1. Results

The outer model test was the first test performed, and all 39 indicators either exceeded the acceptable limits or had an outer loading value above 0.708. (Hair et al., 2018). As a result of these two tests, it can be said that all indicators and variables are considered valid and reliable for measuring the constructs (Ghozali, 2014). Tests of construct reliability and composite reliability also reveal a value over 0.7, which complies with the necessary limit (Table 1).

The findings of the second test, an inner model test, indicate that employee performance and career development have R^2 values of 0.625 and 0.825, respectively. R -squared values for moderate and strong predictive accuracy are 0.625 and 0.825, respectively. Work environment and training can moderately predict career advancement variables, and overall the variables of the research model can strongly predict employee performance variables (Hair et al., 2018). Then, a value of 0.724 was obtained in the GoF validation test. This shows that the model's overall combined performance is strong because it is more than 0.36 (Ghozali, 2014).

The hypothesis test is carried out by the bootstrap resampling method, if the p -value is less than 0.05 and the t -value would be more than 1.97 (t -table), then those hypotheses are supported (Hair et al., 2018).

Considering the extent of influence, which is around 0.426 and 0.399, respectively, the hypothesis test findings in Table 1 show that the training variable has the biggest impact on career development and employee performance. Then, career development can also be an antecedent and mediator of employee performance with moderate impact (the indirect effect is smaller than the direct effect). Finally, depending on the direction of the presented hypothesis, all six hypotheses examined in this research model were found to be significant and had positive coefficient values.

4.2. Discussion

According to research findings, the working environment at hospitals in the province of Banten has a major impact on increasing employee performance. If it is associated with the correlation between dimensions, the physical work environment strongly correlates with employee performance, particularly the effectiveness dimension. This demonstrates the need for hospitals in the Banten Province to monitor the condition of their infrastructure and facilities to ensure that their employees can function effectively.

Table 1: Significance Test Results

Path	Original Sample	T-statistics	P-value	Results
Work Environment → Employee Performance	0.334	6.604	0.000	H1 Supported
Work Environment → Career Development	0.422	7.427	0.000	H2 Supported
Career Development → Employee Performance	0.264	4.252	0.000	H3 Supported
Training → Career Development	0.426	6.504	0.000	H4 Supported
Training → Employee Performance	0.399	6.993	0.000	H5 Supported
Work Environment → Career Development → Employee Performance	0.112	3.769	0.000	H6a Supported
Training → Career Development → Employee Performance	0.113	3.219	0.001	H6b Supported

Employee performance will increase with the installation of the facilities and infrastructure that are expected to assist the accomplishment of tasks on their own. The comfort of the current work environment has a significant impact on the efficiency of the employees of the hospitals in the Banten Province. The sense of comfort here is related to the space for movement of the employees, which includes space for outpatient, inpatient, operating rooms, medicine rooms, and other workspaces. Their ability to move about freely will improve, which will directly affect how well the employees perform at work. A work environment is a place where employees carry out daily activities. The findings also corroborate earlier studies by Laras et al. (2021), Dien and Duyen (2021), Ajizah et al. (2015), and Riyanto et al. (2017), who found that the work environment has a positive and significant impact on employee performance. By establishing a comfortable work environment and atmosphere, employee performance will improve.

The research results show that the work environment at Banten Province hospitals has a significant effect on increasing career development. If the correlation between dimensions is taken into consideration, the physical work environment, especially the career planning dimension, has a significant impact on employee career development. This suggests that career development at hospitals located in the Banten Province is significantly impacted by how well physical facilities assist employee career planning. With the right equipment, it will be easier for employees to work hard for the hospital, which will allow them to develop their careers. With this acceleration of careers, employees will be serious about planning their careers there. These results also illustrate that the conditions of the employee's work environment greatly determine the career development of employees and the smooth running of a job. Conducive working environment conditions will increase employee motivation to work, so they will happily and optimally work there. Employees who work optimally will have an impact on increasing company profits and also on their career development in the company. According to Koekemoer (2014), the organization's responsibility to provide each employee with a comfortable work environment is inextricably linked to career development and management inside the company. This shows that a good work environment will make employees feel comfortable. A sense of comfort and pleasure will influence a person to be more active, diligent, and enthusiastic in working and will have an impact on their career development in the future as well. These results are also supported by previous research by Ismail et al. (2013) and Kwenin (2013), who found that the work environment has a strong connection with employees' career development. If the work environment at the company is good, it will encourage employees to develop their careers further.

The research results show that career development at Banten Province hospitals has a significant effect on improving employee performance. If it is associated with the correlation between dimensions, career management has the strongest correlation with employee performance, particularly on the effectiveness dimension. This could imply that those leaders must ensure a fair career development policy for each employee. This policy will have an effect on employee motivation at work, which will lead to an improvement in their performance. Additionally, leaders must care about the professional development of their employees because when employees feel more valued, they perform better at work. These results also illustrate that hospitals need to pay attention to employee career management to support their work effectiveness. If employees feel that their careers are promising, then surely they will work even more enthusiastically to achieve their career goals. This, of course, will have an impact on the increase in their performance. Career development is something that can be expected by an employee during work because an employee wants to get higher rights than what they obtained previously. These results also support previous research conducted by Ajizah et al. (2015), who stated that career development has a positive and significant impact on employee performance since career development will motivate employees to work more to advance their careers, which, in turn, will enhance their performance, and

The results from this research show that training at Banten Province hospitals has a significant effect on increasing career development. Training, therefore, has a significant impact on how an employee develops professionally because it allows them to strengthen their skills. Training is one of the most crucial things since, via this program, employees will gain a better understanding of their roles and responsibilities both individually and in groups. Good training will help to identify strategic competitive advantages and develop strategic plans. Employees of a firm will unquestionably become more valuable to the organization when given training. If there is a correlation between the dimensions, the behavioral component, particularly the career planning dimension, has a significant impact on career development. This indicates that to have successful career development, employees must be able to exhibit appropriate behavior. With good employee interactions and cooperation, there will be a good relationship and a family-like atmosphere, which will allow them to plan their careers effectively with one another without experiencing any social jealousy. This harmony will create a clear career plan and will enhance their career development. The results from this research also support the research from Suadnyana and Supartha (2018), who found that training that is beneficial for employees will support career development.

These research results indicate that training in Banten Province hospitals has a significant impact on improving employee performance. If the correlation across dimensions

is taken into account, the training variable's behavioral dimension, particularly its effectiveness dimension, has the strongest association with employee performance. This demonstrates the need for people to always be optimistic and have a positive attitude at work to get their tasks done efficiently. This positive behavior will increase their accuracy, thoroughness, and reliability in their work, which will directly impact how well they do. The results of this research were also in line with previous research by Kusumaningrum et al. (2020) and Suryadi and Aima (2019), which declared that through training conducted, employees will be more skilled in carrying out their work duties so that they will improve their performance and minimize the risk of accidents which occurs in the health sector.

The research outcomes reveal that career development at Banten Province hospitals can be both antecedents and mediators to improving employee performance moderately. A systematic method in training that has an impact on increasing knowledge, skills/expertise, and attitudes must be applied. This improves individual, team, and organizational performance (Aguinis & Kraiger, 2009; Ataunur & Ariyanto, 2016). To achieve high-quality standards, which have an impact on employee performance, the training program must be structured through planned and programmed phases by stages. The ability of employees to do the tasks given to them, however, may be impacted by a positive work environment (Nitisemito, 2015). If the work environment at the company is very conducive, then it will encourage employees to develop their careers and create a comfortable atmosphere at work so employee performance will increase (Ismail et al., 2013; Kwenin, 2013; Riyanto et al., 2017).

5. Conclusion

After processing and analyzing data from the research results, the conclusions that can be drawn are: work environment, training, and career development have a significant effect on improving the employees' performance at Banten Province hospitals; work environment and training can be perfect antecedent to advancing the career development of hospital employees in Banten Province; Career development in Banten Province hospitals can do both antecedent and mediator to improve employee performance moderately.

Through these research findings and conclusions, the authors have several suggestions to help hospital management in Banten Province improve the performance of their employees: Leaders are advised to update the technology used in hospitals to support employee work effectiveness, thereby increasing employee performance; Leaders are advised to provide and maintain a positive and comfortable work environment for employees and create a conducive working atmosphere for the convenience of employees in carrying

out their work. This encourages employees to perform more efficiently, thus enhancing career development. Leaders are advised to provide training that is in accordance with the field of work of the employee concerned so that it would be useful for increasing employee abilities; thus, employees' career development will increase as well; Leaders are advised to set a good example for their employees; therefore the employees will imitate the good behavior of their leaders, thereby increasing work effectiveness and employee performance; Leaders are advised to formulate a career management system based on employee potential, so that the given career management would be more focused, thereby increasing employee performance. Finally, the authors expect that future research will investigate other variables that affect employee performance. Further research can be done on variables such as compensation, organizational culture, and compensation variables, which can act as mediators between work discipline and motivation's effects on performance.

References

- Aguinis, H., & Kraiger, K. (2009). Benefits of training and development for individuals and teams, organizations, and society. *Annual Review of Psychology*, 60(1), 451–474. <https://doi.org/10.1146/annurev.psych.60.110707.163505>
- Ajizah, L. N., Suyoto, S., & Widhiandono, H. (2015). The effect of job training, career development and work environment on employee performance at the Banyumas Regency Copyright Office. *Media Ekonomi*, 15(1), 38–48. <https://doi.org/10.30595/medek.v15i1.1287>
- Astuti, R. J., Maryati, T., & Harsono, M. (2020). The effect of workplace spirituality on workplace deviant behavior and employee performance: The role of job satisfaction. *Journal of Asian Finance, Economics, and Business*, 7(12), 1017–1026. <https://doi.org/10.13106/JAFEB.2020.VOL7.NO12.1017>
- Ataunur, I., & Ariyanto, E. (2016). The influence of competence and training on the performance of employees of PT. Adaro energy tbk. *Telaah Bisnis*, 16(2), 135–150. <http://journal.stimykpn.ac.id/index.php/tb/article/view/33>
- Bloomberg Global Health Index. (2022). *Healthiest countries 2022*. <https://worldpopulationreview.com/country-rankings/healthiest-countries>. Bloomberg.
- Cresswell, J. W. (2016). Research design qualitative, quantitative, and mixed approaches. Indonesia: *Tentara Pelajar*.
- Damayanti, R. D. A., Indrawati, R., & Aida, M. (2021). The mediating role of work motivation towards the implementation of corporate governance and RSUD x's performance. *Dinasti International Journal of Education Management and Social Science*, 3(1), 46–61. <https://doi.org/10.31933/dijemss.v3i1.987>
- Dien, N. X., & Duyen, D. T. T. (2021). Factors affecting employee's performance: An empirical study in Vietnam. *Journal of Asian Finance, Economics, and Business*, 8(7), 295–302. <https://doi.org/10.13106/JAFEB.2021.VOL8.NO7.0295>

- Ghozali, I. (2014). *Structural equation modeling, alternative method with partial least square (PLS)* (4th ed). Diponegoro: Badan Penerbit Universitas.
- Gomes, F. C. (2013). *Manajemen sumber daya manusia [Human resource management]*. Yogyakarta: Andi Publisher.
- Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2018). *Multivariate data analysis* (8th ed). Boston, MA: Cengage Learning.
- Handoko, T. (2015). *Human resource management*. Yogyakarta: Pustaka Setia.
- Hariandja, M. T. E. (2009). *Human resource management, Procurement, development, compensation, employee productivity improvement*. Bandung: Raja Grafindo Persada PT.
- Ismail, A., Madrah, H., Aminudin, N., & Ismail, Y. (2013). Mediating role of career development in the relationship between career program and personal outcomes. *Makara Seri Sosial Humaniora*, 17(1), 43–54. <https://doi.org/10.7454/mssh.v17i1.xxxx>
- Kock, N., & Hadaya, P. (2018). Minimum sample size estimation in PLS-SEM: The inverse square root and gamma-exponential methods. *Information Systems Journal*, 28(1), 227–261. <https://doi.org/10.1111/ijisj.12131>
- Koekemoer, E. (2014). An explorative study on factors influencing the career success of management employees. *SA Journal of Industrial Psychology*, 40(2), 1–10. <https://doi.org/10.4102/SAJIP.V40I2.1204>
- Komite Akreditasi Rumah Sakit (KARS) Nasional. (2018). List of accredited hospitals. http://akreditasi.kars.or.id/application/report/report_accredited.php.
- Kusumaningrum, G., Haryono, S., & Handari, R. S. (2020). Employee performance optimization through transformational leadership, procedural justice, and training: The role of self-efficacy. *Journal of Asian Finance, Economics, and Business*, 7(12), 995–1004. <https://doi.org/10.13106/JAFEB.2020.VOL7.NO12.995>
- Kwenin, D. O. (2013). Relationship between work environment, career development opportunities, and employee retention in Vodafone Ghana limited. *Global Journal of Human Resource Management*, 1(4), 1–9.
- Laras, T., Jatmiko, B., Susanti, E., F., & Susiati, S. (2021). The effect of work environment and compensation on work motivation and performance: A case study in Indonesia. *Journal of Asian Finance, Economics, and Business*, 8(5), 1065–1077. <https://doi.org/10.13106/JAFEB.2021.VOL8.NO5.1065>
- Mandey, M. A., & Lengkong, V. P. (2015). Effect of compensation, leadership style and the work environment on employee performance: Study at the Faculty of Economics and Business Unsrat. *Jurnal Riset Ekonomi, Manajemen, Bisnis dan Akuntansi*, 3(3), 117. <https://ejournal.unsrat.ac.id/index.php/emba/article/view/10422>.
- Mardiyah, A., & Purba, C. B. (2019). The effects of competency, training, education, and career development on employees' performance at Hermina Hospital Kemayoran. *International Journal of Innovative Science and Research Technology*, 4(6), 313–323. <https://ijisrt.com/wp-content/uploads/2019/06/IJISRT19JU497.pdf>
- Marzuki, A. (2015). *Economic indicators*. Yogyakarta: UPP STIM YKPN.
- Nitisemito, A. (2015). *Human resource management*. Yogyakarta: Pustaka Setia.
- Putri, S. E. (2018). *Effect of work environment and career development on employee performance with job satisfaction as an intervening variable: Case study at PT Telkom Witel Yogyakarta*. Yogyakarta: Universitas Islam Indonesia.
- Rahinnaya, R., & Perdhana, M. S. (2016). Analysis of the effect of training and development, compensation and competence on employee performance. *Diponegoro Journal of Management*, 5(3), 684–694
- Riyanto, S., Sutrisno, A., & Ali, H. (2017). The impact of working motivation and working environment on employees performance in Indonesia stock exchange. *International Review of Management and Marketing*, 7(3), 342–348. <https://www.econjournals.com/index.php/irmm/article/view/5269/pdf>
- Shaputra, A. R., & Hendriani, S. (2015). The influence of competence, commitment and career development on the performance of employees of PT. Bank Rakyat Indonesia (Persero) Pekanbaru, K.W. *Jurnal Tepak Manajemen Bisnis*, 7(1), 1–17. <https://jtmb.ejournal.unri.ac.id/index.php/JTMB/article/view/2654>
- Sofia, M., Iranita, I., & Ruwanti, S. (2016). Factors that affect the performance of employees in the finance department at the revenue and asset management office of the Lingga district. *Jurnal Umrah*, 16, 11–29.
- Suadnyana, I. K., & Supartha, I. W. G. (2018). The effect of performance appraisal, work experience, and training on employee career development. *E-Jurnal Manajemen Universitas Udayana*, 7(4), 1950–1978. <https://doi.org/10.24843/EJMUNUD.2018.v07.i04.p09>
- Suryadi, H., & Aima, M. H. (2019). The influence of organizational culture and training on organizational commitment and also its implications on the performance of health workers in puskesmas Johar Baru District. *Dinasti International Journal of Management Science*, 1(2), 148–162. <https://doi.org/10.31933/DIJMS.V1I2.51>
- Wasiati, H. (2016). Leadership, work environment on employee performance with job satisfaction as an intervening variable. *Jurnal Analisis Bisnis Ekonomi*, 14(2), 190–200. <http://journal.unimma.ac.id/index.php/bisnisekonomi/article/view/275>
- Yoon, K. H., Kim, B. Y., & Eom, J. G. (2019). The effects of job crafting on the career success of multinational corporations' employees. *Journal of Asian Finance, Economics, and Business*, 6(4), 213–225. <https://doi.org/10.13106/JAFEB.2019.VOL6.NO4.213>