

## Effect of work rotation and training on employee performance (Study at PT Pegadaian (Persero) Palembang Regional Office)

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### ABSTRACT

This study discusses the effect of job rotation and training on employee performance at PT. Pegadaian (Persero) Palembang regional office. PT. Pegadaian (Persero) is one of the non-banking institutions that provide credit to the public for mortgage loans in Indonesia. Job rotation is a complicated problem for employees, especially those not ready for new changes. Employees become anxious when they have to be transferred to a new position and face unfamiliar work challenges. The training program is still not effective and efficient, especially in training with virtual methods, which usually use the zoom meeting application. Performance appraisal is carried out transparently and objectively. At the beginning of each financial year, Pegadaian sets a Key Performance Indicator (KPI) for each work unit. The sample in this study was 175 respondents with a non-probability sampling with a purposive sampling method—a data collection method using primary data. Analysis of the data used is multiple linear analysis and t-test. The results of this study are that job rotation has a significant positive effect, and training has a significant positive effect on employee performance. This research suggests that job rotation must be scientific and objective and increase productivity and reduce employee burnout. The training program must be appropriate to the needs and values of the employee's job. Then, superiors should give new challenges or assignments and be accompanied by additional compensation for employees so that it can attract employees to always look for new challenges in their work and reduce employee complaints about things that are not important at work.

### KEYWORDS

Work Rotation; Training;  
Employee performance

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## Introduction

Human resources (HR) is an important asset that must be considered for an organization because humans carry out almost all operational activities. The human resources in question are employees; employees become valuable assets for a company. Human resource management aims to increase the contribution of employees in the organization. The achievement of the company's goals depends on how employees can develop their knowledge, skills, and attitudes.

PT. Pegadaian (Persero) is one of the non-banking institutions that provide credit to the public for mortgage loans in Indonesia. Pegadaian is committed to continuously improving the quality and capacity of its human resources in order to support the achievement of Pegadaian's vision, which is "To become The Most Valuable Financial Company in Indonesia and as the Community's First Choice Financial Inclusion Agent". This commitment is even explicitly stated in one of Pegadaian's mission points: "Providing service excellence with customer focus through professional human resources with a good performance culture" (Annual Report, 2020).

Saravanan et al. (2017) argue that job rotation affects employee performance significantly and positively. It increases their productivity through increased competence, skills, and cooperation and the reduction of boredom, thereby increasing employee productivity. Job rotation is a complicated problem for employees, especially those not ready for new changes. Employees become anxious if they have to be transferred to a new position and face unfamiliar work challenges. Employees feel successful in their previous position, but when they are in a new position, they feel unable to master new things. The problem relevant to job rotation is when the organization does not plan the job rotation program. Based on the results of interviews with one of the employees of PT. Pegadaian (Persero) Lampung area, the implementation of work rotation is still not optimal because the decisions made by superiors are sometimes not following the needs of employees. Then the existence of job rotation makes employees complain and stress because they must make new strategies to attract customers in new workplaces to achieve KPI targets.

Rachmawati (2016) defines training as an environmental forum for employees, where they acquire or learn attitudes and the process of teaching specific knowledge and skills so that employees are more skilled and able to carry out their responsibilities better, according to the required standards. Training will cause changes in employee performance, where these changes are in terms of competence, responsiveness, and productivity (Sendawula et al., 2018). The training and development program is the responsibility of the Corporate University Pawnshop Division. Pegadaian organizes as many as 310 training and competency development programs, both held in-house and organized by third parties using in-class learning methods, virtual training and e-Learning. The training and development program is implemented and attended by various work units, namely central, area, branch and joint with the target participants from groups 4-16. Based on the results of interviews with one of the employees of PT. Pegadaian (Persero) Lampung area, the implementation of the training program is still not effective and efficient, especially in training with virtual methods, which usually use the zoom meeting application. According to the employee, this method is less effective because the material presented is sometimes unclear or difficult to understand and often has signal problems. Many employees are not serious about participating in the training program because they are virtual and are not monitored by the leadership.

Koopmans et al. (2014) argue that employee performance is the result of work that can be achieved by a person or group of people in an organization according to their respective authorities and responsibilities to achieve the goals of the organization concerned. Pegadaian periodically evaluates employee performance, and the performance appraisal process is carried out transparently and objectively. At the beginning of each financial year, Pegadaian sets a Key Performance Indicator (KPI) for each work unit which is then reduced to KPI for each individual in the work unit.

## Literature review

### *Work rotation*

Saravanan et al. (2017) argue that job rotation affects employee performance significantly and positively. It increases their productivity through increased competence, skills, and cooperation and the reduction of boredom, thereby increasing employee productivity. Akbari and Maniei (2017) argue that job rotation is a tool to increase efficiency. Meanwhile, according to Saravanan et al. (2017), that job rotation reduces the level of boredom which leads to an increase in the level of employee motivation. Equally important, job rotation improves employees' psychological and physical health by creating positive employee attitudes and job diversification by reducing boredom and self-motivation towards their work (Ajusa & Atambo, 2016). The level of work saturation for employees, having additional knowledge, skills, and competencies, management preparation, and choosing the correct work position that employees like, develop relationships. Another reason for job rotation is that monotonous tasks or jobs carried out continuously can result in boredom and decreased employee work outcomes (Tumipa & Rumokoy, 2018). The existence of job rotation is expected to stimulate employees to achieve better performance because there is a process of increasing employee knowledge and abilities, reducing job saturation from employees, helping place employees appropriately, and providing more significant challenges for employees to achieve better performance or performance (Rahman & Solikhah, 2016).

### *Training*

The definition expressed by Raza et al. (2017) explains that training is an instrument that plays an essential role in bridging the current and expected levels of performance. Training will cause changes in employee performance, where these changes are in terms of competence, responsiveness, and productivity (Sendawula et al., 2018). Roshchin & Travkin, (2017) noted that when companies buy new technology, companies must ensure that employees are ready to use the new technology. Training can present an excellent opportunity to expand employee knowledge (Afsana et al., 2015). Human resources can only be practical if the organization regularly provides adequate training to its employees (Raza et al., 2017). Therefore training is unavoidable from an organizational point of view. By implementing training, employees can sharpen their skills so that their ability to complete work will be better and can meet the targets set by the organization (Sendawula et al., 2018).

### *Employee performance*

Performance is the organization's central pillar and primary foundation and is very important to achieve the goals, objectives, and mission. Strictly speaking, without job performance, an organization cannot maintain its competitiveness in the market or even survive (Ismail et al., 2018). Koopmans et al. (2014) argue that employee performance is the result of work that can be achieved by a person or group of people in an organization according to their respective authorities and responsibilities to achieve the goals of the organization concerned. Self-identity in carrying out tasks can also influence an employee's performance; self-confidence to carry out tasks and complete tasks well will increase morale. Koopmans et al. (2014) suggest that the dimensions of performance include task performance, contextual performance, and counterproductive work behaviour. Syamsuriansyah et al. (2020) conclude that performance means a person's success in doing his job in terms of quantity and quality in an organization by presenting individuals and working groups of employees holding functional and structural positions and the entire ranks of employees in the organization.

## Methods

This research is included in causal research. Causal research is a type of research that aims to prove a cause-and-effect relationship or a relationship affecting and being influenced by the variables studied. Oei (2010) defines *causal research* as a research design that aims to prove a cause-and-effect relationship or a relationship that affects and is influenced by independent variables, while the affected variable is called the dependent variable. This study was conducted to examine the effect of the variables to be studied, namely the job rotation variable (X1) and training (X2) as the independent variable, with the employee performance variable (Y) as the dependent variable. This study uses quantitative methods because it uses a questionnaire and multiple regression as a tool to collect data analysis. The data used in this study is primary data in the form of questionnaires and secondary data from the literature, articles, journals, previous research, and internet sites.

The sample is part of the population whose characteristics are to be studied and are considered to be representative of the entire population. If the population is large and it is impossible for the researcher to study everything in it, for example, due to limited funds, workforce, and time, the researcher can use samples from that population (Sugiyono, 2017). The sampling technique used in this study is a non-probability sampling technique with a purposive sampling type. Non-probability sampling is a technique that does not provide equal opportunities for each element or member of the population to be selected as a sample. (Sugiyono, 2017). Meanwhile, purposive sampling is a technique for determining samples with specific criteria or considerations. The criteria used in this study are as follows:

1. 39 Employees of PT. Pegadaian (Persero) Palembang Regional Office, which has received a job rotation.
2. Employees of PT. Pegadaian (Persero) Palembang Regional Office, which has received job training.

Hair et al. (2017) argue that the minimum number of samples that should be used is five times the number of indicators. The indicators in this study amounted to 35, so the number of samples needed was  $35 \times 5 = 175$  respondents.

### Research instrument test

#### Validity test

Ghozali (2013) argues that the validity test is used to measure the validity of a questionnaire. The questionnaire is said to be valid if the questions can reveal something that the questionnaire will measure. The validity test technique used in this study is factor analysis with the help of SPSS software version 25. The level of intercorrelation between variables can be measured by factor analysis using the Kaiser Meyer Olkin Measure of Sampling Adequacy (KMO MSA). Sekaran (2006) argues that if Kaiser-Mayer-Olkin (KMO), anti-image, and factor loading 0.5, it is declared valid, and the sample can be studied further.

#### Reliability test

Ghozali (2016) states that reliability is a tool to measure a questionnaire indicator of a variable. The reliability test was carried out using the SPSS program and the Chronbach alpha measurement technique, and the test results can be said to be reliable if the Chronbach alpha is more than 0.6. This study uses the Alpha Cronbach technique with the help of SPSS version 25 software.

#### Normality test

Ghozali (2016) explains that the normality test aims to test whether, in the regression model, both the dependent variable and the independent variable have a normal distribution or not. The graph analysis used to test the normality of the data in this study used the Kolmogorov-Smirnov One Sample normality test, histogram graph test and probability plots. Proving whether the data is usually distributed can be seen from the value of  $\text{sig} > 0.05$  then the data is usually distributed. This research uses SPSS version 25 software.

## Results

The result section shows objectively the presentation of the research key result without any interpretation using text, tables and figures. The result section must present how the author ensure the data validity and reliability. The results should be clear and concise.

### Validity test and reliability test

The validity test is used to measure the validity of a questionnaire by performing factor analysis using the Kaiser Meyer Olkin Measure of Sampling Adequacy (KMO MSA). Sekaran (2006) argues that if Kaiser-Mayer-Olkin (KMO), anti-image, and factor loading 0.5. Moreover, the reliability test uses the Chronbach alpha measurement technique, and the test results can be said to be reliable if the Chronbach alpha is  $> 0.6$ .

The following table shows the results of testing the validity and reliability:

**Table 1.** Validity and reliability test results

No.	Variable	KMO	Anti Image	Factor Loading	Cronbachs Alpha
1	Work Rotation (X1)	0,813	0,813	0,818	0,875
2	Training (X2)	0,897	0,900	0,759	0,941
3	Employee Performance (Y)	0,872	0,869	0,706	0,877

### Normality test

The normality test shows that the significance value for the Kolmogorov Smirnov One Sample normality test is 0.200, which means it is more significant than 0.05. So it can be concluded that the research data obtained from respondents is normally distributed.

### Hypothesis test

#### Multiple linear regression test

Table 4.2 shows that the constant ( $\alpha$ ) value is 37.79. 8 Work rotation (X1) has a value ( $\beta_1$ ) of 0.166, and training (X2) has a value ( $\beta_2$ ) of 0.259.

**Table 2.** Multiple linear regression analysis results

	Model	B	Std. Error	Beta	t	Sig
	(Constant)	37,789	5,228		7,228	0,000
1	Total_X1	0,470	0,218	0,166	2,158	0,032
	Total_X2	0,345	0,103	0,259	3,364	0,001

Based on the tests that have been carried out, the multiple linear regression equations in this study are as follows:

$$Y = 0.166 X_1 + 0.259 X_2$$

The results of the regression coefficient of the job rotation variable are 0.166. This illustrates the positive influence between job rotation and employee performance, which means that the better the job rotation, the better the employee's performance. The result of the regression coefficient of the training variable is 0.259. This illustrates the positive influence between training and employee performance, which means that the better the training, the better the employee's performance.

### T test

T test was conducted to test whether the variables of job rotation (X1) and training (X2) partially have a significant effect on employee performance (Y) at PT. Pawnshop Palembang Regional Office. Testing the data using the following model:

- If the value of sig < 0.05 then the independent variable has a significant effect on the dependent variable.
- If the value of sig > 0.05 then the independent variable has no significant effect on the dependent variable.

Error rate ( $\alpha$ ) = 5% and degrees of freedom (df) = (n-k)

n = number of samples, n = 175

k = number of variables used, k = 3

degrees of freedom (df) = n - k = 175 - 3 = 172

then the T table used is t (5%) (172) or t 0.05 (172) = 1.97385

**Table 3.** T-test result

Independen Variable	T-value	T-table	Sig.	Conclusion
Work Rotation (X1)	2,158	1,976	0,032	Ha accepted
Training (X2)	3,364	1,976	0,001	Ha accepted

The table shows that the work rotation variable with a significance of 5% has a sig value. 0.032 < 0.05 and t count (2.158) > from t table (1.976), then Ho is rejected and Ha is accepted. Partially, the job rotation variable has a positive effect on employee performance at PT. Pegadaian (Persero) Palembang Regional Office. The training variable with a significance of 5% has a sig value. 0.001 < 0.05 and t count (3.364) > from t table (1.976), then Ho is rejected and Ha is accepted. Partially, the training variable has a positive effect on employee performance at PT. Pegadaian (Persero) Palembang Regional Office.

## Discussion

The results of the research that has been done concluded several related things that affect the X1 variable, X2 variable and Y variable, in line with previous research that has become a reference. The following discussion supports the hypothesis:

### *The effect of job rotation on employee performance at PT. Pegadaian (Persero) Palembang Regional Office*

Rahayu (2018) states that work rotation positively influences employee performance; the better the work rotation that is carried out, the better the resulting employee performance. Based on the results of the partial test calculation (t-test), which was carried out with the help of SPSS version 25, the data obtained showed a t count > t table ( $2.158 > 1.974$ ) and a significance value  $< 0.05$  ( $0.032 < 0.05$ ). This shows a positive and significant effect between job rotation and employee performance at PT. Pegadaian (Persero) Palembang Regional Office. Positive influence means that the higher the job rotation, the higher the employee performance.

This study supports the proposed hypothesis and is in line with research conducted by Nur Irmawati Rahayu (2018), which shows that job rotation has a positive effect on employee performance. It is also supported by research conducted by Tarus (2014) showing that job rotation as a strategy has a positive and significant impact on performance in the workplace. The results of this study also stated that the existence of job rotation increased employee knowledge to improve employee performance.

### *The effect of training on employee performance at PT. Pegadaian (Persero) Palembang Regional Office*

Akbar & Hafeez (2015) state that training positively influences employee performance. This will help the company's human resource professionals understand and know the importance of the impact of training to improve employee performance in various fields. Based on the results of the partial test calculation (t-test) shows the value of t count > t table ( $3.364 > 1.974$ ) and a significance value of  $< 0.05$  ( $0.001 < 0.05$ ). This shows a positive and significant effect between training and employee performance at PT. Pegadaian (Persero) Palembang Regional Office. Positive influence means that the higher the level of training, the higher the level of employee performance.

This study supports the proposed hypothesis and aligns with research conducted by Akbar & Hafeez (2015), with results showing that training has a significant impact and a positive relationship with employee performance and area development. This will help the company's human resources professionals to understand and recognize the importance of the impact of training to improve employee performance in various fields. Research conducted by J. Jocom also supports it. et al. (2017) show the results that training has a positive influence on employee performance. This study also shows that it is essential for employees to follow training programs properly in order to get opportunities to expand employee knowledge so that employee performance can improve better.

## Conclusion

The purpose of this study was to determine whether job rotation and training had an effect on employee performance at PT. Pegadaian (Persero) Palembang Regional Office. Based on the results of statistical tests of 175 research samples, it can be concluded that job rotation positively and significantly affects employee performance. This shows that the better the level of job rotation given to employees, the higher the level of employee performance. Furthermore, training has a positive and significant effect on employee performance. This shows that the better the level of training provided to employees, the higher the level of employee performance.

This study has limitations; the research was only carried out on pawnshops in the Palembang area office, which consists of three areas. The results will be different if it is carried out in all regional offices in Indonesia. The latest reference sources on rotation and training are still few that discuss it at pawnshops. The data obtained at the pawnshop is very little because the pawnshop does not provide files such as rotation data and training data that are applied every year. Further researchers are expected to look for the latest references and original data to strengthen the content of the study and be able to choose or add other variable indicators to the study to get even better results.

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