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# THE IMPACT OF TRAINING & DEVELOPMENT, CAREER DEVELOPMENT, AND TRUST ON WORK EFFECTIVENESS OF POLICYMAKERS IN THE HEADQUARTERS OF THE DIRECTORATE GENERAL OF CUSTOMS AND EXCISE

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## Abstract

In accordance with its vision of becoming the world's leading Customs and Excise institution, the Directorate General of Customs and Excise (DJBC) continues to make improvements by making the World Customs Organization (WCO) standard as one of the references. The mission set to achieve its vision is to: facilitate trade & industry, safeguard borders and protect Indonesians from illegal smuggling and trafficking, as well as and optimize state revenues in customs and excise sectors. The effectiveness of the policymakers in the Directorate General of Customs and Excise is needed so that the ever-evolving problems of this era of globalization can be responded promptly, precisely and accurately. The purpose of this research is to know the impact of training & development, career development, and trust on the effectiveness of policy maker at the headquarters of the Directorate General of Customs and Excise. Population in this research is 152 policymakers in Head Office of Directorate General of Customs and Excise. A sample of 110 people was taken by simple random sampling. Data collection was done by distributing questionnaires, collected data were analyzed by path analysis technique. The study found training & development has a direct positive effect on work effectiveness. Career development has a direct positive effect on work effectiveness. Trust on the leadership of the organization positively affect the effectiveness of work. Training & development has a direct positive effect on trust. Career development has a direct positive effect on trust. Training & development has a direct positive effect on career development.

Key Words: training & development, career development, trust, and work effectiveness

# **INTRODUCTION**

The global economy encourages everyone or organizations to make remarkable improvements not only to compete, but also to survive.

In the era of globalization, Customs and Excise faces challenges such as high logistics costs, container waiting times, import duty, export duty, and excise, demands for the role of trade facilitator, smuggling and illegal trade, andthe role of supply chain security.

To face the above challenges, the effectiveness of policy formulation personnel in the Directorate General of Customs and Excise is needed so that the evolving problem can be responded promptly, accurately and accurately.

In the process of public policy making, the existing problems are analyzed in relation to other elements to make the solution. Government institutions formulate alternatives and choose a policy solution. Then the solution is implemented, evaluated and improved.

Nonprofit organizations-that strive every day to work effectively at theirachievingmissions.<sup>1</sup>

In general theories, effectiveness is defined as the degree to which the actual output is generated from systems designed to produce the desired output.<sup>2</sup>

The measure of performance effectiveness shows how many units of objectives are achieved.<sup>3</sup>Effectiveness is achieved when action is taken to achieve that strategic objective and contribute to the achievement of corporate objectives.<sup>4</sup>Works as a team member in delivering objectives as determined for the team as a whole.<sup>5</sup>

Roger Cartwright defines training & development as an effort to generate new skills and attitudes, as follows:

Training and development is the means by which an organization invests in its employees. Change requires new skills and attitudes, so the organization that do not invest in training and development can not hope to bene fit from change-indeed they may well survive change.<sup>6</sup>

Training at all levels is essential to creating an effective, healthy and versatile workforce.<sup>7</sup> Training is also involved in career development, which is developing people for the next job, for retirement, and their role in society outside the organization.<sup>8</sup> Training will affect organizational trust.<sup>9</sup>

Career development is a series of useful activities to support the improvement, formation, success and fulfillment of one's career. Career planning takes into account personal skills,

<sup>&</sup>lt;sup>1</sup> Barbara D. Kibbe, et, al, *Funding Effectiveness, Lessons in Building Nonprofit Capacity*, (Washington, D.C : John Wiley & Sons, 2004), h. 27.

 <sup>&</sup>lt;sup>2</sup> Charles W. Hufer dan Dan Schendel, *Strategy Formulation: Analytical Concept*, (USA West Publishing, 1978), h.
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<sup>&</sup>lt;sup>3</sup> Mason, R. O. dan Swanson, E. B. dalam Bernard Marr, *Strategic Performance Management : Leveraging and Measuring Your Intangible Value Drivers*, (United Kingdom : Elsevier, 2006) h. 100.

<sup>&</sup>lt;sup>4</sup> Andrew Crouch, *The Competitive Mind : Strategy for Winningin Business*, (England : John Wiley & Sons , 2008), h. 89.

<sup>&</sup>lt;sup>5</sup> Michael Armstrong, *Performance Management : Key Strategies and Practical Guidelines,* Second Edition, (London : Kogan Page, 2000), h. 150.

<sup>&</sup>lt;sup>6</sup> Roger Cartwright, *Training and Development Express*, (United Kingdom : Capstone, 2003), hh. 6-7.

<sup>&</sup>lt;sup>7</sup> Anna Shuttleworth, "Managing workplace stress : how training can help", *Industrial and Commercial Training*, Volume 36, Number 2, 2004, hh. 61-65.

<sup>&</sup>lt;sup>8</sup> Dugan Laird, *Approaches to Training and Development*, Third Edition, (Cambridge : Perseus, 2003), h.13.

<sup>&</sup>lt;sup>9</sup> Anastasia A. Katou, "Justice, trust and employee reactions: an empirical examination of the HRM system", Management Research Review, Vol. 36 No. 7, 2013, hh. 674-699.

interests, knowledge, personal motivation. Career planning identifies information about opportunities and options, career goals, and action plans to achieve specific goals.<sup>10</sup>

Career development programs are needed to improve work effectiveness, as follows: Various programs can assist early-career employees to become productive, including anticipatory socialization, realistic recruitment or job previews, orientation programs, and mentoring. New employees may want to participate in some or all of these programs to be more effective on the job.<sup>11</sup>

Institutional trust is measured by perceptions of career development opportunities and work rules.<sup>12</sup>Trust is a complex concept relating to beliefs, honesty, truth, competence, reliability, etc., from people or services or who are trusted.<sup>13</sup>

Organizational trust is the main thing for overall effectiveness and capacity to achieve organizational excellence.<sup>14</sup>Trust is considered to be the main determinant of individual and organizational effectiveness.<sup>15</sup>

#### **RESEARCH METHODS**

Researchers use a quantitative approach with the aim of testing or verifying a theory by collecting data and making confirmation in order to know the effect of training & development, career development, and trust on the effectiveness of policy formulation personnel at the Head Office of Directorate General of Customs and Excise. Population in this research is 152 works effectiveness of policy makersin Head Office of Directorate General of Customs and Excise. A sample of 110 people was taken by simple random sampling. Data collection was done by distributing questionnaires, collected data were analyzed by path analysis.

The research hypothesis as follows:

- 1. There is a positive direct impact of training & development on work effectiveness.
- 2. There is a direct positive influence of career development on the effectiveness of work.
- 3. There is a positive direct effect of trust on the effectiveness of work.
- 4. There is a positive direct effect of training & development on trust.
- 5. There is a positive direct effect of career development on trust.
- 6. There is a positive direct impact of training & development on career development.

## **RESULTS AND DISCUSSION**

The results of the study is divided into data descriptions, testing requirements analysis, hypothesis testing, and discussion of research results.

<sup>&</sup>lt;sup>10</sup> Gary Dessler, *Fundamentals of Human Resource Management*, Third Edition, (USA: Pearson, 2014), h 247.

<sup>&</sup>lt;sup>11</sup>Steven d. Brown dan Robert W. Lent, *Career Development and Counseling*, Ed, (New Jersey : John Wiley & Sons, 2005), h. 211.

<sup>&</sup>lt;sup>12</sup> Kyung Yong RHEE, "Different Effects of Workers' Trust on Work Stress, Perceived Stress, Stress Reaction, and Job Satisfaction between Korean and Japanese Workers", *Safety and Health at Work 2010*;1, 2010, hb. 87-97.

<sup>&</sup>lt;sup>13</sup> Christian Jensen Stefan dan Poslad Theo Dimitrakos, *Trust Management : Second International Conference, iTrust 2004, Oxford UK, March 29 - April 1, 2004, Proceeding,* Ed.(USA : Springer, 2005), h. 50.

<sup>&</sup>lt;sup>14</sup> Christian Jensen Stefan dan Poslad Theo Dimitrakos, *Trust Management : Second International Conference, iTrust 2004, Oxford UK, March 29 - April 1, 2004, Proceeding,* Ed.(USA : Springer, 2005), h. 50.

<sup>&</sup>lt;sup>15</sup> Aamir Ali Chughtai dan Finian Buckley, "Exploring the impact of trust on research scientists' work engagement", *Personnel Review*, Vol. 42 No. 4, 2013, hh. 396-421

Information	Work Effectiveness	Training & Development	Career development	Trust
Mean	124,75	119,98	118,24	124,92
Standard Error	0,54	0,68	0,58	0,56
Median	125,0	119,0	118,0	125,0
Mode	124,0	123,0	117,0	128,0
Standard Deviation	5,71	7,14	6,09	5,91
Sample Variance	32,6089	51,0088	37,1363	34,9566
Range	29	39	30	28
Minimum	112	102	102	110
Maximum	141	141	132	138
Sum	13723	13198	13006	13741
Count	110	110	110	110

 Table 1. Summary of calculation results of descriptive statistics

From the table can be concluded that the average value of work effectiveness and trust is quite high. From the known mode values that training & development and career development in the Directorate General of Customs and Excise need to be improved.

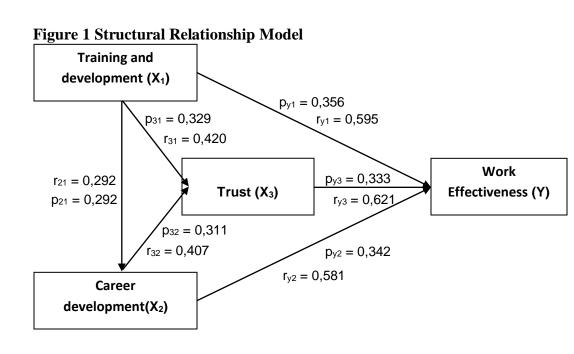
		Significance Tests		Linearity Test	
Regression	Regression Equation	F <sub>count</sub>	Ftabel	F <sub>count</sub>	Ftabel
			$\alpha =$		$\alpha =$
			0,05		0,05
Y to X1	$\hat{Y} = 67,66 + 0,48X_1$	59,22	3,93	0,93	1,61
Y to X <sub>2</sub>	$\hat{Y} = 60,42 + 0,54X_2$	54,93	3,93	1,47	1,63
Y to X <sub>3</sub>	$\hat{Y} = 49,81 + 0,60X_3$	67,84	3,93	1,41	1,65

X <sub>3</sub> to X <sub>1</sub>	$\hat{X}_{_3} = 83,17 + 0,35X_1$	23,18	3,93	0,79	1,61
X <sub>3</sub> to X <sub>2</sub>	$\hat{X}_3 = 78,27 + 0,39X_2$	21,40	3,93	1,22	1,63
X <sub>2</sub> to X <sub>1</sub>	$\hat{X}_2 = 88,39 + 0,25X_1$	10,04	3,93	1,29	1,61

Based on the test of significance and linearity it can be concluded that the research data can be used in further process because the relationship between variables shows significant (Fcount> Ftable) and linear (Fcount<Ftable).

After the correlation coefficient value of each variable is obtained, then can be calculated path coefficient. Then calculate the tcount value on the path coefficient to know the significance of the effect given by each exogenous variable to the endogenous variable.

The Structural Relationship Model between the variables generated according to figure 1.



The results of hypothesis testing and analysis results and calculation process as follows:

No.	Direct Effect	Path Coefficient	DK	thcount	$t_{tabel}$ $\alpha = 0,05$	
1.	X <sub>1</sub> to Y	0,356	106	5,33	1,98	
2.	X <sub>2</sub> toY	0,342	106	5,16	1,98	

 Table 3. Direct Effect between Variables

3.	X <sub>3</sub> toY	0,333	106	4,76	1,98
4.	$X_1$ to $X_3$	0,329	107	3,80	1,98
5.	$X_2$ to $X_3$	0,311	107	3,59	1,98
6.	X <sub>1</sub> to X <sub>2</sub>	0,292	108	3,17	1,98

In this study also found indirect effect between variables. Effective decomposition among the variables in path analysis includes Direct Effect (DE), Indirect Effects (IE) and Total Effects (TE), which is a combination of direct and indirect effects (TE = DE + IE) is presented in the following table.

			Total			
	Variable Effect	Direct Riffect Inderect Riffect (IR)			Effect	
No.		(DE)	$\mathbf{X}_2$	<b>X</b> <sub>3</sub>	X <sub>2</sub> & X <sub>3</sub>	(TE)
1.	X <sub>1</sub> to X <sub>2</sub>	0,292	-	-	-	0,292
2.	X <sub>1</sub> to X <sub>3</sub>	0,329	0,091	-	-	0,420
3.	X <sub>1</sub> to Y	0,356	0,100	0,110	0,030	0,595
4.	X <sub>2</sub> to X <sub>3</sub>	0,311	-	-	-	0,311
5.	X <sub>2</sub> to Y	0,342	-	0,103	-	0,445
6.	X <sub>3</sub> to Y	0,333	-	-	-	0,333

 Table 4. Recapitulation of Direct, Indirect and Total Influence

The results of testing the first hypothesis gives the results of training & development findings have a direct positive effect on the effectiveness of work. These findings suggest that good training & development will have a direct impact on the effectiveness of high employee performance.

Training at all levels is essential to creating an effective, healthy and versatile workforce.  $^{16}$ 

Results of testing the second hypothesis gives the findings that career development has a direct positive effect on work effectiveness. This indicates that the development of a well done career will increase the effectiveness of employees.

<sup>&</sup>lt;sup>16</sup> Anna Shuttleworth, "Managing workplace stress : how training can help", *Industrial and Commercial Training*, Volume 36, Number 2, 2004, hh. 61-65.

Various programs can assist early-career employees to become productive, including anticipatory socialization, realistic recruitment or job previews, orientation programs, and mentoring. New employees may want to participate in some or all of these programs to be more effective on the job.<sup>17</sup>

The third hypothesis gives the finding that trust has a direct positive effect on work effectiveness. This shows the trust given by the leadership to employees will be able to improve the effectiveness of its work.

Organizational trust is the main thing for overall effectiveness and capacity to achieve organizational excellence.<sup>18</sup>Trust is considered to be the main determinant of individual and organizational effectiveness.<sup>19</sup>

The fourth hypothesis gives results that training & development have a direct positive effect on trust. Improved training & development by itself will increase employee trust in the organization's leadership.

Training will affect organizational trust.<sup>20</sup>Training & development will make employees proud of their work and can improve their morale. Such a sense of pride I will increase their trust will feel cared for by the leader who has given him the opportunity to follow the training and development program to improve his competence.

The fifth hypothesis gives findings that career development has a direct positive effect on trust. This suggests that the enhancement of career development will increase employee trust to the leadership of the organization.

Institutional trust is measured by perceptions of career development opportunities and work rules.<sup>21</sup> The main principle in trust is justice and honesty, every individual will believe if you feel treated fairly and honestly. Trust will arise when there is justice in the career development process.

The sixth hypothesis provides training & development findings directly postip impact on career development. According to the findings it can be concluded that the increase of training& development will increase career development.

Training is also involved in career development, which is developing people for the next job, for retirement, and their role in society outside the organization.<sup>22</sup>

#### CONCLUSION

Based on the results of analysis and discussion, the following conclusions can be drawn:

<sup>&</sup>lt;sup>17</sup>Steven d. Brown dan Robert W. Lent, *Career Development and Counseling*, Ed, (New Jersey : John Wiley & Sons, 2005), h. 211.

<sup>&</sup>lt;sup>18</sup> Pamela S. Shockley-Zalabak, Sherwyn P. Morreale, dan Michael Z. Hackman, Building the High-TrustOrganization : Strategies for Supporting Five Key Dimensions of Trust, (San Francisco: Jossey-Bass, 2010),h. 20

<sup>&</sup>lt;sup>19</sup> Aamir Ali Chughtai dan Finian Buckley, "Exploring the impact of trust on research scientists' work engagement", *Personnel Review*, Vol. 42 No. 4, 2013, hh. 396-421

<sup>&</sup>lt;sup>20</sup> Anastasia A. Katou, "Justice, trust and employee reactions: an empirical examination of the HRM system", Management Research Review, Vol. 36 No. 7, 2013, hh. 674-699.

<sup>&</sup>lt;sup>21</sup> Kyung Yong RHEE, "Different Effects of Workers' Trust on Work Stress, Perceived Stress, Stress Reaction, and Job Satisfaction between Korean and Japanese Workers", *Safety and Health at Work 2010*;1, 2010, hb. 87-97.

<sup>&</sup>lt;sup>22</sup> Dugan Laird, *Approaches to Training and Development*, Third Edition, (Cambridge : Perseus, 2003), h.13.

- 1. Training & development has a direct positive effect on the effectiveness of the policy formulating staff at the Head Office of the Directorate General of Customs and Excise. The results showed that exercise & development have direct or indirect influence through career development, trust, and career development and trust that is of greatest value to the effectiveness of work. Thus compared to other variables improvement of training & development can lead to the greatest increase in work effectiveness.
- 2. Career development has a direct positive effect on the effectiveness of policy formulation workers at the Head Office of the Directorate General of Customs and Excise. From the results of the research note that career development is ranked second after training & development in influencing the effectiveness of policy formulation workforce. There is an indirect influence of career development in influencing the effectiveness of policy makers through trust.
- 3. The trust towards the leadership of the organization has a direct positive effect on the effectiveness of the policy formulating staff in the Office of Puisat of the Directorate General of Customs and Excise. From the results of the research note that the trust ranked third in influencing the effectiveness of the work of policy makers.
- 4. Training & development has a positive direct effect on the trust of the policy makers towards the leadership of the organization. From the results of research is known training & development has the greatest influence on trust. In addition to direct influence there is also an indirect influence through career development.
- 5. Career development has a direct positive effect on the trust of the policy makers towards the leadership of the organization.
- 6. Training & development has a direct positive effect on career development. The results show that the smallest value is shown from the influence of training & development on career development.

Based on the interpretation of the research results and conclusions above, the results of this study imply that the effectiveness of policy formers at the Head Office of the Directorate General of Customs and Excise can be improved by improving the increasing of training& development, improvement of career development, and the trust of the organizational leadership officer. The improvement efforts can be explained as follows:

- 1. This study found that training & development have a direct positive effect on work effectiveness. The implication is that to improve the effectiveness of work it is necessary to improve the training & development by: (1) improvement of program planning; (2) focus on improving new skills or knowledge; (3) improvement of problem solving ability; (4) refine the material to be relevant to the need to improve work effectiveness; (5) improvement of trainer's ability in training & development program.
- 2. This study found that career development directly positive direct impact on work effectiveness. The implication, to improve the effectiveness of the work force needs to increase career development. Efforts to improve career development through: (1) better career

information to help employees plan their careers; (2) improve career opportunities; (3) attention to career aspirations, because aspirations; (4) put people in the right position.

- 3. This study found that trust has a direct positive effect on work effectiveness. The implication is that to increase the effectiveness of the work it is necessary to increase trust to the leadership of the organization, through: (1) improvement of leadership competence (2) openness of the leadership of the organization to subordinates; (3) improve reliability; (4) raising awareness of leadership to subordinates.
- 4. This study found that training & development have a direct positive effect on trust. The implication is that to improve trust towards the organization's leaders, it is necessary to improve the training and development through: (1) good planning will result in training & development program as needed competency needed by the employee; (2) generating new behaviors or cultures to implement organizational policies related to employment in a new culture; (3) problem-solving skills provided in training & development lead to trust between the two sides in the work process.
- 5. This study found that career development has a direct positive effect on trust. With demikina peninmgktan pembembngan career will increase employee trust to the leadership of the organization. The implication is, to increase trust, it is necessary to improve career development through: (1) Better, open and reliable career information management will increase employee trust to employers; (2) increased career opportunities so that employees do not have to look for career opportunities elsewhere, This will lead to employees' trust to rely on their career to increase leadership; (3) improving the equality of the career process can maintain employee trust in the leadership; (4) more attention to career aspirations will lead to trust in the leadership because they feel their needs and aspirations are cared for by the leadership. (5) placing employees in the right position.
- 6. This study found that training & development have a direct positive effect on career development. The implication is that training and development enhancement can be done by improving training and development through: (1) generating new skills or knowledge of training & development programs will meet the competencies required in the career development process; (2) providing problem-solving skills will encourage employee career development. (3) improving the ability of trainers with more experience so as to provide employee motivation to develop themselves and improve skills will encourage employee career development.

Suggestions that can be given based on the conclusions and implications in this research are:

- 1. Directorate General of Customs and Excise to prioritize improvement of training & development. Such improvements by itself will also foster career development and trust that will ultimately improve the effectiveness of the policy makers' workforce. Improving the quality of training and development can be done by making training & development planning in accordance with the needs of work, improving the quality of the material so that it is really relevant and up to date, as well as increasing the competence of trainers who are able to deliver materials effectively and motivate trainees to improve self-competence.
- 2. The thing that needs to be done is also the improvement of career development. Efforts to improve career development directly will improve the effectiveness of the policy formulation workforce. This effort will also indirectly affect the effectiveness of the policy makers

through increased trust. Career development improvement should be done by improving the principle of fairness in the career process, thus providing equal opportunity to every employee to improve career. The employee placement process also needs to consider the educational history and work experience to produce the right person placement in a position.

- 3. The effectiveness of policy framework worker can be enhanced through efforts to increase trust to the leadership of the organization. This can be done with the use of clear parameters, accurate and reliable data for the accuracy of decision making in career development. It is also necessary to improve the quality of relationships, openness attitude and encourage subordinates to share information.
- 4. To improve the works effectiveness of policy makers should; (1) understand its duties and functions in policy formulation; (2) understand the internal environment and the external environment of work; (3) have future career goals and plans; (4) always try to improve knowledge and competence; (5) be open to convey new innovations and strategies that leaders and organizations need.
- 5. To improve the performance of policy formulation, Directorate of Directorate General of Customs and Excise should pay attention to the parameters of work effectiveness of the drafter not only seen from the work process but also the impact of the policy formulated