Determinant Factors for Learning Model Development: Their Influence on Employee Performance

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Abstract

Business competition and high demands for services in the banking industry currently require companies to have increasingly high organizational capacity that relies on human resource performance and learning models. This research aims to identify, study, and analyze Learning Models to Improve the Performance of Banking Industry Employees. The purpose of this study is to identify, investigate, and evaluate the factors that will be incorporated into the learning model and how they affect worker performance. A Systematic Literature Review (SLR) is the research method approach that is employed. It is completed by finding pertinent research, evaluating its caliber, and producing a scientific summary of the findings of the earlier study. Research talks yielded variables that will be used as learning models to enhance worker performance. A human resource management method is used in this study, particularly when examining the variables that affect employee performance. It was discovered that five variables—three independents, one intervening, and one dependent—were employed as research items in this study. To increase employee performance, the learning management system, learning instructional design, learning assessment, and competency development were implemented. What makes the ensuing research unusual is that no learning model emerged from these processes.

Keywords

Learning Model, Learning Management System, Learning Instructional Design, Learning Evaluation, Competency Development, Employee Performance

Introduction

In today's competitive landscape of the banking industry, companies are under pressure to enhance their organizational capacity to meet high service demands. This necessitates a strong focus on human resource performance and learning frameworks. Financial institutions are adapting swiftly to the post-COVID-19 world, now recognized as an epidemic, by embracing new work environments, collaborative methods, digital proficiencies, and innovative technology utilization to bolster competency levels. There's a critical need for the banking sector to reassess strategies for task completion and customer service delivery with heightened proficiency. Central to this
transformation is the optimization of digital systems and technology, particularly through the implementation of Learning Management Systems (LMS) within Corporate Universities. Such implementations typically adhere to specific models or methods to facilitate the learning process. (Marous, 2020; Amalia, 2018; Chusminah, 2015).

Human resources play a pivotal role in securing a competitive edge within organizations. The competency of employees directly correlates with their ability to meet organizational expectations, thereby driving the achievement of top management's objectives. Employee performance serves as a critical indicator of organizational success, with numerous studies indicating a positive relationship between competence enhancement initiatives, such as learning and training programs, and improved employee performance. For instance, a study in Nairobi, Kenya, involving human resource managers from licensed commercial banks, underscored the direct impact of employee competency on performance. (Cahyaningtyas and Santosa, 2021; Cik et al, 2021; Ong'ango, 2019).

In various banking sectors, particularly amidst the Millennial and Generation Z era, a significant challenge lies in bridging the competency gap. This gap encompasses the accumulation of skills, knowledge, and attitudes essential for effective banking activities and employee behavior. Employees with high competency levels serve as valuable institutional assets, enabling timely planning, development, and delivery of services. Across Africa, thirty-seven commercial banks have encountered challenges, many stemming from deficiencies in employee competence. The correlation between capacity development and commercial bank performance in Africa underscores the pivotal role of employee productivity. To enhance banking performance, the industry must invest in equipping employees with the requisite expertise, skills, and knowledge. (Balan, 2021; Wanyama and Mutsono, 2015).

Financial institutions are swiftly adapting to the evolving landscape of work post-Covid-19, now declared an epidemic. This adaptation involves embracing novel work environments, collaborative methodologies, digital proficiencies, and innovative technology utilization to bolster competency levels. There's an urgent need for the banking sector to reassess strategies for task completion and customer service delivery with enhanced competency. (Marous, 2020).

Enhancing employee performance within an industry is closely linked to improving employee competency, particularly when fostered within a supportive work culture and a strong organizational commitment. Research conducted on the impact of learning initiatives on employee competency, specifically within the banking industry in Palestine, was based on questionnaire responses from 10 banks and 290 selected participants. The findings revealed a notable correlation between engagement in learning activities and employee performance outcomes. (Hindardjo & Pratama, 2022; Daqar & Konstantinovits, 2021).

Methodology

An approach to human resource management is used in this study, particularly about the impact on employee performance. Three different categories of variables—dependent, intervening, and independent variables—were employed as research objects in this study. This study will employ a systematic literature review (SLR) methodology. A systematic literature review (SLR) is a type of
A research paper that uses scientific procedures to identify relevant literature, evaluate its quality, and summarize the findings of earlier studies.

The criteria used in the Systematic Literature Review use the PRISMA (Preferred Reporting Items for Systematic Reviews and Meta-Analyses) guidelines. Digital searches for articles/literature were carried out in several online databases such as Web of Science (WoS), Emerald, Science Direct, Google Scholar, Research Gate, and Academia. The database was chosen for three main reasons. First, the international prestige and reputation of the publication with the greatest impact. Second, the sample and its representation are guaranteed by researchers and international organizations. Third, because of the inclusion criteria, the selection of articles was relevant and narrow.

The research criteria used are: (Hutton, Catalá-López, dan Moher 2016)
1. Published in the Online Journal System, both academic journals and peer-reviewed journals.
2. Search descriptors are specified in the title, keywords, and abstract.
3. Related to the field of Management; and
4. The keywords used to obtain research-based articles are Learning Models and Employee Performance.

**Results and Discussion**

Performance can be assessed from two main angles: individual employee performance and organizational performance. The former reflects the efforts of each employee within the organization, where everyone is expected to contribute positively towards achieving organizational goals. It's crucial to recognize that organizational success hinges on the performance of its employees. Individual performance entails the measurable outcome of one's work compared to predetermined organizational standards. Broadly, it refers to the quality and quantity of work accomplished by an employee in line with their assigned responsibilities. Additionally, employee performance encompasses the fulfillment of tasks, adherence to roles, and the efficient utilization of time and resources. (Putri, dkk, 2021; Marimin dan Santoso, 2020).

Furthermore, employee performance signifies the effectiveness of individuals or groups within an organization in executing their duties and responsibilities, aligned with their authority and objectives. It encapsulates how individuals are anticipated to function and behave in pursuit of organizational objectives. This performance is intricately linked to the intellectual capital present within both the organization and its employees. Elevating productivity and performance among employees is contingent upon leveraging intellectual capital effectively. In the banking sector, enhancing employee performance involves maximizing output and productivity through continuous learning initiatives. The efficacy of such programs is gauged by employees' contributions towards the bank's objectives and tasks. Ultimately, the goal is to foster a culture of learning and development that drives performance improvement. (Goni, Manoppo dan Rogahang, 2021; Silalahi, 2021; Daqar & Constantinovits, 2021)

Employee Performance pertains to the outcomes and contributions generated by employees within their professional roles. This encompasses reaching objectives, enhancing productivity, and ensuring work quality, all of which can be enhanced through training and professional growth opportunities. The determinants affecting an individual's or a group's performance include both

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internal and external factors. Internal factors encompass intelligence, proficiency, emotional stability, motivation, perception of role, family circumstances, and physical well-being, while external factors encompass labor regulations, customer preferences, competitive dynamics, societal norms, labor unions, economic conditions, shifts in workplace environment, and market conditions. Employee performance is shaped by a multitude of factors, among them: (Dharmoko, et al, 2020; Ahmad, et al, 2014)

1. Personal factors, encompass competencies and aptitudes (both cognitive and physical), personal background (including prior experience and family background), and demographic characteristics (such as age and ethnicity).
2. Institutional factors, comprising resources availability, leadership style, compensation packages, organizational framework, and job specifications.
3. Psychosocial factors, covering perception, mindset, individual disposition, learning tendencies, and drive.

Structured learning aids in enhancing employees' technical competencies and knowledge, which directly enhances their performance in job tasks. Learning extends beyond mere knowledge and skills acquisition; it also influences individual behaviors and attitudes. Fostering positive attitudes and behaviors contributes to fostering a more productive and collaborative workplace atmosphere. A robust learning framework facilitates employees' adaptation to shifts in the work landscape, such as the introduction of new technologies or organizational policies. Employees capable of swift adaptation stand a better chance of positively impacting organizational performance.

An effective learning framework serves as a crucial foundation for enhancing employee performance. By comprehending and integrating key components within a learning model, organizations can establish a sustainable learning culture, bolster employee development, and consequently, elevate overall performance. This sets forth a beneficial cycle where structured learning facilitates the attainment of both individual and organizational objectives.

Factors That Are Components of Learning Models to Improve Employee Performance

Within an organization, employees are expected to exhibit productive performance, necessitating certain productive individual attributes. These attributes or traits of productive individuals include possessing self-assurance, a sense of accountability, enthusiasm for work, having a forward-thinking perspective, problem-solving capabilities, adaptability to changes in the environment, making positive contributions to the surroundings, and demonstrating the capacity to showcase their potential. Performance indicators are quantitative and qualitative measures that depict the degree of accomplishment of a set target or objective. Employee performance can be objectively and accurately evaluated through performance benchmarks. This assessment entails providing employees with the opportunity to gauge their performance level, thus facilitating the review and evaluation of employee performance. The performance indicators encompass work quality, competency, initiative, capability, and communication skills. (Lintjewas, Mamentu & Kawung, 2016).
Encouraging continuous improvement in competency urges organizations to offer comprehensive learning opportunities for participants to grasp industry requirements, enabling them to tailor and market their skills accordingly swiftly and accurately. Fundamentally, competency delineates the expected job responsibilities of individuals. Peraturan Menteri Ketenagakerjaan Nomor 3 Tahun 2016 provides guidelines for formulating core and specialized competencies within the Indonesian National Work Competency Standards. According to this regulation, competency structure comprises Knowledge, Skills, and Attitudes. The Indonesian National Work Competency Standards delineate the required abilities for performing specific tasks and meeting job criteria, incorporating aspects of knowledge, skills, expertise, and work ethos deemed pertinent to the job role. These standards are formulated in consultation with relevant industries to ensure alignment with workplace demands. They primarily serve as a framework for designing and implementing job training programs, evaluating training outcomes, and appraising individuals' current skill levels.

Competency encompasses a combination of knowledge, skills, and attitudes that individuals need to demonstrate exceptional performance in their work, adhering to established standards. Improving competency is evaluated as an outcome of human resource management practices. In the banking sector, this involves efforts to understand and enhance employee competencies through empirical research and evidence-based methods. Effective principles and practices are crucial for competency development in banking, requiring systematic initiatives to cultivate employees' skills and knowledge in alignment with industry requirements. Competency development addresses skill gaps that could threaten the long-term sustainability of the banking workforce, enabling them to navigate challenges and remain relevant amid evolving trends. (Salman, Ganie & Saleem, 2023; Bart, 2020; Marous, 2020; Peraturan Menteri Ketenagakerjaan Nomor 3 Tahun 2016)

Learning evaluation refers to the systematic assessment of overall learning program outcomes, encompassing enhancements in knowledge, attitudes, values, and procedural skills. It serves as a valuable tool for instructors, providing feedback and aiding in decision-making processes crucial for devising future learning strategies. The evaluation process employs specific models tailored to measure training effectiveness, considering industry context and requirements. Typically, the Kirkpatrick evaluation model is utilized to gauge learning effectiveness across four levels: reaction, learning, behavior, and results, to understand the impact and benefits of learning initiatives. (Davlatbayevich, et al, 2023; Islami and Nugroho, 2022; Haryanto, 2020)

Learning evaluation is a comprehensive and measurable approach to assessing the effectiveness and impact of learning through various measurement methods, including reactions, learning gains, behavioral changes, and organizational results, thereby providing significant value. It is elucidated through the "Four Levels of Training Evaluation," encompassing reaction, learning, behavior, and results, providing a comprehensive framework for evaluating learning effectiveness. Learning evaluation also involves assessing training impact by considering the role of social support as a mediator, enhancing understanding of factors influencing employee learning and development outcomes. (Phillips and Phillips, 2016; Kirkpatrick and Kirkpatrick, 2016; Ferreira, Aristides and Bates, 2015)
Learning design is a systematic process facilitating the creation and development of effective, engaging, and efficient teaching materials within a supportive environment, employing principles from art, science, learning, and instructional theory. It involves analyzing problems and participant needs, designing learning activities and materials, and developing clear objectives to meet participants' learning needs. Implementation encompasses executing learning programs, followed by evaluation of teaching, and learning outcomes. (Clark and Mayer, 2016; Brown and Green, 2020)

One widely used learning design by profit-oriented and non-profit organizations, including universities, is the ADDIE (Analysis, Design, Development, Implementation, and Evaluation) method. Developed by Dick and Cary in 1978 and revised by Russell Watson in 1981, the ADDIE method plays a pivotal role in the development and evaluation of learning, education, and training programs. (Shakeel, et al, 2022; Budoya, Kissaka, and Mtebe, 2019; Muruganantham, 2015)

Learning Design is an approach focused on crafting learning experiences that align with human cognitive abilities, considering the limitations of cognitive processing. It integrates new information with existing knowledge, accounting for cognitive complexity stages and participants' program requirements. Employing a systematic methodology, Learning Design comprises four key elements: tasks, information support, guidance, and an environment conducive to knowledge transfer, offering step-by-step direction to achieve desired learning outcomes. (Sweller, Merriënboer, and Paas, 2019; Merriënboer and Kirschner, 2018)

Learning Management Systems (LMS) serve as information platforms to enhance the learning process within an online classroom environment. LMS fosters an inclusive learning community, facilitating academic advancement through features encouraging online collaboration, professional training, discussions, and communication among users. Instructors and resources utilize LMS to guide discussions, plan online activities, set learning objectives, offer choices to learners, and aid in problem-solving and decision-making processes. Research indicates that implementing an LMS enhances participants' engagement in learning activities, especially in online settings, allowing for effective learning despite limitations on face-to-face interaction. Web/mobile-based LMS offers an alternative by enabling instructors to deliver course materials electronically or conduct virtual classes, enabling learners to access content anytime, anywhere, provided they have internet connectivity. A Learning Management System (LMS) refers to a software program designed for managing, documenting, tracking, reporting, automating, and delivering educational courses, training programs, or learning materials. These systems, which operate through web-based platforms, offer an interactive and structured online learning environment, facilitating the delivery and assessment of educational content and learning outcomes. (Bradley, 2021; Sumardi, et al, 2021; Simanullang & Rajagukguk, 2020; Turnbull, et al, 2020)

Corporate universities aiming to adopt Learning Management Systems (LMS) must ensure the provision of essential facilities, particularly in communication, information systems, and technology. This includes servers, internet connectivity, hardware, and software. Independently setting up all these facilities requires significant resources and the expertise of qualified professionals. LMS is among the information systems utilized by companies. The success of an information system is typically measured by its usage during implementation stages, often assessed
through models like the DeLone-McLean model. Information system success entails its sustained usage without abandonment by users and the provision of benefits to them. Organizations with clear and consistent strategic objectives allocate resources effectively and actively engage in various activities, including selecting information technology systems that align with their capabilities, to help accomplish their goals. (Petter, DeLone, McLean, 2017; Thompson, et al, 2018).

Overview Of Research Variables That Form Learning Models In The Banking Industry

Based on various literature reviews that have been carried out systematically, the factors that are components of the Learning Model for Improving Employee Performance can be mapped, including the Implementation of a Learning Management System, Learning Instructional Design, Learning Evaluation, Competency Development, and Employee Performance. Overview of Research Variables Forming Learning Models in the Banking Industry:

1. Implementation of Learning Management System (LMS), this variable encompasses the adoption and utilization of Learning Management Systems within banking institutions. It involves the setup of necessary infrastructure such as servers, internet connectivity, hardware, and software. The success of LMS implementation is evaluated based on user engagement and the extent to which it facilitates learning and development activities.

2. Learning Instructional Design, Learning instructional design involves the systematic development of learning materials and activities tailored to meet the needs of banking employees. It focuses on crafting engaging, effective, and efficient learning experiences, considering human cognitive characteristics and learning objectives. Design elements include tasks, information support, guidance, and creating a conducive learning environment.

3. Learning Evaluation pertains to the systematic assessment of learning outcomes and program effectiveness. It involves measuring enhancements in knowledge, skills, attitudes, and procedural competencies among banking employees. Evaluation methods may include the Kirkpatrick model, which assesses learning effectiveness across four levels: reaction, learning, behavior, and results.

4. Competency Development encompasses efforts to enhance the knowledge, skills, and attitudes of banking personnel to achieve exceptional performance aligned with industry standards. It addresses skill gaps and ensures that employees remain relevant amidst changing industry paradigms. Competency development initiatives are crucial for the long-term sustainability and success of banking institutions.

5. Employee Performance refers to the outcomes and contributions made by banking employees in fulfilling their job responsibilities. It is influenced by factors such as competency development, learning instructional design, and the effective implementation of learning management systems. Improving employee performance is essential for achieving organizational goals and maintaining competitiveness in the banking industry.

These research variables collectively form the learning model for improving employee performance within the banking industry, aiming to enhance employee skills, knowledge, and competencies to drive organizational success.
Analysis Of the Influence of Implementation Of Learning Management System, Learning Instructional Design And Learning Evaluation On Competency Development In The Banking Industry

The adoption of Learning Management Systems (LMS) in the banking industry plays a crucial role in facilitating competency development among employees. LMS provides a centralized platform for delivering training materials, tracking progress, and assessing learning outcomes. Through LMS, banking institutions can offer a wide range of learning opportunities, including online courses, webinars, and virtual classrooms, enabling employees to access training resources conveniently. The effective implementation of LMS ensures that employees have access to up-to-date and relevant learning materials, enhancing their skills and knowledge.

Learning instructional design significantly influences competency development by ensuring that learning experiences are tailored to meet the specific needs of banking employees. Effective instructional design focuses on creating engaging and interactive learning materials that promote active participation and knowledge retention. By incorporating principles of cognitive psychology and learning theory, instructional designers can design learning experiences that are effective in enhancing employees' competencies. Instructional design also considers the unique challenges and requirements of the banking industry, such as compliance training and financial regulations, to ensure that learning materials are relevant and impactful.

Learning evaluation serves as a critical component in assessing the effectiveness of competency development initiatives in the banking industry. Through systematic evaluation methods, such as the Kirkpatrick model, banking institutions can measure the impact of training programs on employees' competencies. By gathering feedback from learners and stakeholders, learning evaluation helps identify areas for improvement and refinement in competency development efforts. Evaluation results provide valuable insights into the effectiveness of learning strategies, allowing banking institutions to make data-driven decisions to optimize competency development programs.

Overall, the implementation of Learning Management Systems, effective instructional design, and rigorous learning evaluation processes collectively contribute to competency development in the banking industry. By leveraging these components, banking institutions can ensure that their employees acquire the necessary skills and knowledge to excel in their roles and drive organizational success.

Analysis Of The Influence Of Competency Development On Employee Performance In The Banking Industry

Competency development initiatives in the banking industry aim to enhance employees' skills and knowledge relevant to their roles. By providing targeted training programs and learning opportunities, banking institutions equip employees with the competencies necessary to perform their duties effectively. Enhanced skills and knowledge enable employees to handle complex tasks with confidence and competence, leading to improved performance outcomes. Competency development initiatives also focus on preparing employees to adapt to changes within the banking industry, such as advancements in technology, regulatory updates, and evolving customer needs.

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Employees with updated competencies are better equipped to navigate changes and challenges in their roles, ensuring continuity and stability in banking operations. The ability to adapt to industry changes positively impacts employee performance by enabling them to stay ahead of the curve and deliver value to customers and stakeholders.

Competency development contributes to increased productivity and efficiency among banking employees. Employees with enhanced competencies can perform their tasks more efficiently, leading to streamlined processes, reduced errors, and faster turnaround times. Improved productivity and efficiency result in higher performance levels, allowing banking institutions to achieve their business objectives more effectively. Competency development aligns employees' skills and knowledge with organizational goals and objectives. Employees with relevant competencies are better positioned to contribute to the achievement of organizational targets, whether it be increasing market share, improving profitability, or expanding customer base. The alignment between competency development and organizational goals ensures that employees' efforts directly contribute to the overall success of the banking institution.

In summary, competency development significantly influences employee performance in the banking industry by enhancing skills and knowledge, fostering adaptability, increasing productivity and efficiency, improving customer satisfaction, and contributing to organizational goals. By investing in competency development initiatives, banking institutions can cultivate a workforce that is capable of driving sustainable growth and competitiveness in the dynamic banking landscape.

Learning Model in Improving Employee Performance

Based on the points mentioned above, a Learning Model Development, Their Influence on Employee Performance was produced as Figure 1 follows:
Conclusion

Based on the results and discussion above, conclusions that can be drawn from this research include:


3. The formulation of Competency Development can improve Employee Performance.

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