

Work Culture of Production Employees in Multinational Companies in Indonesia: Implication to Training and Development

RUHIZAN M.YASIN
 SYAHRIL
 RAMLEE MUSTAPHA
 SAEMAH RAHMAN
 Faculty of Education
 Universiti Kebangsaan Malaysia
 43600 Bangi, Selangor
 MALAYSIA
dr_ruhizan@yahoo.com

Abstract: - The aim of this article is to explore the nature of work culture of employees in multinational companies in Indonesia. The analysis is based on a survey conducted on 376 respondents which was randomly selected from nine multinational companies in Indonesia. The data was collected using questionnaires and was subsequently analysed using descriptive and inferential statistics. The results show that there is a significant difference in work culture between the demographic factors in the study (job category, type of company, education level and training experience) of multinational company employees in Indonesia. The results give significant implication to how training for work should be planned.

Key-Words: - Work Culture, Multinational Company Performance, Lifelong learning, Training and development, Human Resource Development.

1 Introduction

Technology and human factors are new factors that contribute to an organisation's productivity. These factors have become as important and dominant as capital, land and workforce were in the past [1]. Technology is secondary but human factors are the primary determinant. Education and training is an essential vehicle to a successful human resource. The increasingly changing landscape of workplace and job demand has significant impact on how education and training should be responding. Education and training today should broaden its curriculum beyond academic and skills. The organisational of learning must also include workplace culture and values such as communication and multicultural issues as well as corporate social responsibility through formal and informal teaching and learning.

At workplace, sharing of values, norms and belief among employees of a company is the core to work culture and productivity which naturally happens through communication and interaction between them and the management. This is also for the purpose of safety and collaboration [2]. Worker's position is very important in work processes because they are the key personnel in obtaining good production. Good work culture among workers contributes to a conducive working environment

which will enhance company productivity or otherwise will impede the performance of the organization. This is important when economic competitiveness depends not just on the productivity of the business but also the skills, knowledge, creativity and innovative capacity as well as generic skills of the employees [3]. These changes require a continuous enhancement in employees' generic skills and knowledge to fully serve with the current technology in the dynamics of global market economy. According to Schein [4] work culture is developed through group dynamics, leadership and learning processes. Hence it is the outcome of group interaction.

2 Problem Formulation

Literatures have proved that there were significant impacts of work culture at all levels of workers on productivity. This has been emphasized by Chen [5] where he suggested organization should focus on values and belief, work operation, company structure, work motivation and company management. While Galpin [6] identified ten components that built company work culture: company policy, goal and measurement, culture and norm, training, events, manager behaviour, rewards and recognition, community, physical environment and company's structure. All these components of

work culture should be well translated especially by the top management and skilled workers because they are the role model in the company [7].

In Indonesia, it was identified that limited capital to purchase advance technology machineries, low skill and low level of education among workers were the main stumbling block faced by most production companies. It is a big challenge to promote a good working culture in such a very limited situation. Therefore training and development for in-service employees should be designed properly. To do that, the existing natures of work culture among workers need to be first analysed. The objective of this study is to explore the relationship between work culture and demographic factors of employees of three different types of company in Indonesia.

3 Methodology

The study is based on a questionnaire survey distributed to 376 employees randomly selected from nine multinational companies in Indonesia. The nine companies were from the area of Jakarta and Jababeka, Cikarang and West Java. The locations were chosen based on the nature of industrial population where areas like Jakarta and Jababeka were considered as primary industrial areas. The companies were all in the production categories. There were two types of questionnaire: one for workers group and the other was for management group. Both questionnaires were divided into two sections: section A was for demographic survey and section B consists of 16 items derived from six components namely company oriented, effective communication, team work, group cooperation, creativity and innovation and professional development plan. Inferential statistics of t-test and ANOVA were used to analyse the significant difference of work culture between level of demographic factors of the employees and types of company.

4 Results

4.1 Respondent Profiles

Table 1 shows frequency and percentage of the respondents. Majority (48.4%) from operators and mechanics level and the lowest is managers (7.8%). Skills workers and supervisors are almost the same at 22.6% and 21.5% respectively. Types of company were divided into three categories according to the ownership of the company (local-Indonesia, Japan and British). Meanwhile education levels are categorized into five which are High school (SMA/SMK), Technical Diploma, Non-technical Diploma, Bachelor in Technical and Non-Technical

Bachelor. More than fifty percent of the respondents are in the 36-45 years of age. Meanwhile more than half of the respondents (78.7%) have less than five to ten years of working experiences. Area of training is defined as discipline of formal training for professional development or career advancement. The percentage of respondents who had formal training was proportionate with the job categories.

Table1: Frequency and Percentage of the Respondents

Demographic Factors of Respondens		N	%
Job Category	Operator & mechanic	182	48.4
	Skills Worker	85	22.6
	Supevisor	81	21.5
	Manager (CEO)	28	7.4
Types of Company	Indonesia	152	40.4
	Japan	116	30.9
	British	108	28.7
Education Level	SMA/SMK	128	34.0
	Tech Dipl	144	38.3
	Non-Tech Dipl	27	7.2
	Bachelor Tech	49	13.0
	Non-Tech Bachelor	28	7.4
Age	20 - 35 year	144	38.3
	36 - 45 year	194	51.6
	>46 year	38	10.1
Working Experience	< 5 years	123	32.7
	5 - 10 years	173	46.0
	11 - 15 years	64	17.0
	>16 years	16	4.3
Area of Training	Basic skills/operator	116	30.9
	Adv.Skills(mechanics)	93	24.7
	Adv.Skills (professional)	63	16.8
	Company Management	54	14.4
	Technical Management	50	13.3

4.2 Work Culture and Work Position

Table 2 shows there was a significant difference on work culture between management group (M=4.27,SD=.31,n = 109) and the workers group (M =4.18,SD=.30, n=267) at p<0.05. The result indicates that the management group had higher mean of work culture than the workers group.

Table 2: t-Test of Work Culture and Work position

Work Position	N	M	SD	t-value	Sig. p
Worker	267	4.18	.30	-2.07	0.009
Management	109	4.27	.31		

4.3 Work Culture and Job Category

Overall ANOVA analysis in Table 3 shows a significant difference of work culture between different job categories. Post Hoc test of Tukey reveals that managers and supervisors had higher mean of work culture than those of operators and skills workers at $p < 0.05$.

Table 3: ANOVA Analysis of Work Culture and Job Category

Job Category	N	M	SD	F-value	Sig. p
Operator/M Skills Workers	182	4.20	.30	3.199	0.023
Supervisor	81	4.26	.31		
Managers	28	4.31	.30		

4.4 Work Culture and Working Experience

Table 4 shows analysis of ANOVA on work culture of different years of working experience of the employees. The analysis reveals that there was no significant difference of work culture among different length of experience at $p < 0.05$.

Table 4: ANOVA Analysis of Work Culture and Working Experience

Work Experience	N	M	SD	F-value	Sig. p
< 5 years	123	4.19	.29	2.11	0.099
5-10 years	173	4.24	.31		
11-15 years	64	4.24	.31		
>=16 years	16	4.24	.30		

4.5 Work Culture and Ownership of Company (Origin)

Overall ANOVA analysis of work culture between employees of companies of different origin of ownership reveals that there were significant difference of work culture between ownership of the company at $p < 0.05$ (Table 5). The Tukey analysis further shows there were significant difference between Indonesia (local) company and British as well as Japanese company. Employees in both foreign companies had higher mean of work culture as compared to local companies.

Table 5: ANOVA Analysis of Work Culture and Company Ownership (Origin)

Ownership	N	M	SD	F-value	Sig. p
Indonesia	152	4.20	.32	61.31	0.000
Japanese	116	4.31	.24		
Europe	28	4.31	.30		

4.6 Work Culture and Age Group

ANOVA analysis shown in Table 6 indicates that there is no significant difference of work culture between age groups. Meaning that at all age groups they have almost the same work culture which is considered high ($M = 4.17-4.25$).

Table 6: ANOVA Analysis of Work Culture and Age Group

Age	N	M	SD	F-value	Sig. p
20-25 years	144	4.25	.26	2.90	0.057
36-45 years	194	4.18	.33		
>=46	38	4.17	.31		

4.7 Work Culture and Area of Training

Table 7 shows overall ANOVA analysis that there is no significant difference of work culture of employees with different area of training experienced at $p < 0.05$.

Table 7: ANOVA Analysis of Work Culture and Area of Training

Area of Training	N	M	SD	F-value	Sig. p
Basic Skills (operator)	116	4.15	.20	4.17	0.072
Basic Skills (mechanics)	93	4.17	.21		
Professional skills	63	4.17	.27		
Industrial Management	54	4.24	.23		
Management & Technique	50	4.23	.24		

4.8 Work Culture and Level of Education

Table 8 shows overall ANOVA analysis where there was a significant difference of work culture between employees from different levels of education. Furthermore analysis pos hoc reveals that employees of non-bachelor degree had higher mean of work culture as compared to other groups of different level of education.

Table 8: ANOVA Analysis of Work Culture and Level of Education

Level of Education	N	M	SD	F-value	Sig. p
SMA/SMK	128	4.14	.24	4.92	0.001
Tech.Diploma	144	4.17	.23		
Non-Tech Diploma	27	4.25	.18		
Tech.Bac	49	4.25	.22		
Non-Tech Bachelor	28	4.30	.19		

5 Conclusion and Discussion

In general, the descriptive analysis reveals that the level of work culture among Indonesian workers in production companies is high. ANOVA analysis shows there are significant difference of work culture between job level, types of company, level of education and area of training. Meanwhile there are no significant difference of work culture between age as well as between working experiences. Work culture among managers and professionals are higher than lower skilled workers. Higher work culture is also observed among employees of British and Japanese companies. Employees with degree in technical and management have higher work culture than those who holds Diploma and Secondary qualification. With such a result, training for workers should be planned according to category of workers. More training should be given to the lower rank employees. The training should include both formal and informal. The more informal activities should be implemented at workplace especially in the effort of mixing the managerial and professional ranks with the lower skilled workers.

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