# THE ROLE OF EMOTIONAL INTELLIGENCE AND HUMAN RESOURCES DEVELOPMENT ON EMPLOYEE PERFORMANCE At PT. Prudential Life Insurance Medan Branch

Ivan Gumilar Sambas Putra Bill Ma'ruf Khawari Rama Yustira Yohanes Oeyliawan Meliana Herawati Savira Juliandini

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**Ivan Gumilar Sambas Putra**, Affiliation (Economy and Business Faculty, Widyatama University, Bandung, Indonesia Email: ivan.gumilar@widyatama.ac.id

**Bill Ma'ruf**, Affiliation (Economy and Business Faculty, Widyatama University, Bandung, Indonesia

*Khawari Rama Yustira*, Affiliation (Economy and Business Faculty, Widyatama University, Bandung, Indonesia

**Yohanes Oeyliawan**, Affiliation (Economy and Business Faculty, Widyatama University, Bandung, Indonesia

*Meliana Herawati*, Affiliation (Economy and Business Faculty, Widyatama University, Bandung, Indonesia

**Savira Juliandini**, Affiliation (Economy and Business Faculty, Widyatama University, Bandung, Indonesia

# Abstract

The success of an organization is primarily determined by the quality of the people who work in it. The rapidly changing environment demands their ability to capture the phenomenon of change, analyze its impact on the organization and prepare steps to deal with these conditions. This study aims to determine the effect of emotional intelligence and human resource development on employee performance. The data of this study is primary data, namely the data from the questionnaire distributed to 71 respondents. The population in this study were employees at the marketing section of PT Asuransi Jiwa Prudential Medan Branch, as many as 250 employees using the Slovin formula, and obtained a sample of 71 respondents. The analytical method used is multiple regression analysis. The results showed a positive influence of emotional intelligence on employee performance, and there was a positive influence on the development of human resources on the performance of employees of PT Asuransi Jiwa Prudential Medan branch.

Keywords: emotional intelligence, human resource development, performance

# INTRODUCTION

The existence of a company on a large or small scale cannot be separated from the elements of the existing resources within the company. Human resources, capital and technology are very important factors in creating product quality. These sources must be mobilized effectively, in order to achieve optimal results. To achieve this goal, it is necessary to have an effort that is supported by all parties in the organization, both from the management and employees. Qualified employees will be able to produce maximum work at an efficient cost. The higher the quality of the employee, the higher the level of employee performance in carrying out the tasks assigned to him, so as to encourage increased effectiveness and efficiency of the output that will be produced by employees. Human resources are the potentials contained in humans to realize their role as adaptive and transformative social beings who are able to manage themselves and all the potential contained in towards achieving the welfare of life in a balanced and sustainable order.

Employee performance is of course not only seen from perfect work skills, but also the ability to master and manage oneself, as well as the ability to build relationships with other people [1]. Carruso in [2]suggests that although he supports the existence of emotional intelligence, in fact intellectual intelligence as measured by IQ is still important in work success. The article on this issue states that experts still believe that if a person has a high IQ score then he will be more successful in his work. Patton in [3] that people who have emotional intelligence will be able to face challenges and make a full-fledged human being. responsible, productive, and optimistic in dealing with and solving problems, where these things are very much needed in the work environment.

The success of an organization is largely determined by the quality of the people who work in it. The rapidly changing environment demands their ability to capture the phenomenon of change, analyze its impact on the organization and prepare steps to deal with these conditions. Observing the above facts, the role of human resource management in organizations is not only administrative but rather leads to how to be able to develop the potential of human resources to be creative and innovative. One of the efforts to develop the quality of human resources in companies and organizations is to implement training and human resource development programs. For the corporate world itself, the development of human resources is very important, because having human resources who can meet the company's operational needs and have a high sense of responsibility for the company will be useful for creating systems and corporate structures that are more advanced and ready to compete.

PT. Prudential Life Insurance Medan Branch, which is a company engaged in life insurance services, where in anticipating increasingly fierce competition requires employees, both superiors and subordinates at PT. Prudential Life Insurance to provide its services professionally with better work quality and performance. Employee performance is basically the result of work in quality and quantity achieved by an employee in carrying out their duties. in accordance with the responsibilities given to him. The fact that happened at PT. Prudential Life Insurance, employee performance is still not optimal. Indications of non-optimal performance of the number of policies of PT. Pudential Life Assurance fluctuated, in 2014 amounted to 12.5%, in 2015 the number of policies increased by 22.7% while in 2016 and 2017 the number of policies decreased

by 20.6% and 16.3% in 2018 experienced an increase of 28%. To achieve the target of increasing employee policies, it is necessary to develop informally and formally from companies that can improve employee performance.

Informal workforce development is one of the important activities in a company where employees and companies work together in a balanced way for the company's existence. Informal development carried out by PT. Prudential Life Insurance, namely the On-The-Job Training (OJT) process, discussing in team meetings, lunch programs while casual discussions on certain job topics, and employees who are in contact with customers.

Based on the above, the formulation of the problem in this study is:

1. How does emotional intelligence affect employee performance at PT.Prudential Life Insurance?

2. How is the influence of human resource development on employee performance at PT.Prudential Life Insurance?

# LITERATURE REVIEW

## Emotional Intelligence

Various authors suggest that the higher the emotional intelligence that the individual has, the better behavior they will have which can perform better performance for their organization [4] [5]. Emotional intelligence contains such motivation and determination and these skills play an important role in achieving goals. A review found that high emotional intelligence was positively correlated with better social relationships in children and adults, higher academic achievement, as well as better relationships during work performance and improved psychological health [6]. Emotional intelligence is the ability to use emotions effectively in managing oneself and positively influencing relationships with others. This is as stated by [7] that the effective use of emotions will be able to achieve goals in building productive relationships and achieving work success. According to [8], the four components of emotional intelligence are perception, assimilation, management and understanding.

#### Human Resource Development

[9] states that development is the process of improving the theoretical, conceptual, and moral technical skills of employees through education and training. The education and training provided must be in accordance with the needs of today's work. Development is broader because it involves many aspects such as improvement in knowledge, knowledge, abilities, attitudes and personality. Another figure, [10]stated that development aims, among others, to cover the gap between employee skills and job demands, in addition to increasing the efficiency and effectiveness of employees' work in achieving work goals. [11] states that the development program teaches employees a variety of new skills so that they do not become obsolete and to fulfill their career desires due to changes in the work environment. Then a work performance assessment is carried out which aims to see whether the employee's performance is as expected. . Human resources contain the first two meanings, namely, work effort or services provided in the production process. In other cases, HR reflects the quality of the effort given by someone in a certain way to produce goods and services. The second HR concerns humans who are able to work to provide these services or work efforts. Being able to work means being able to carry out activities that have economic activities, namely that these activities produce goods or services to meet needs or the community.

Human resources are one of the most important factors in a company in addition to other factors such as capital. Therefore, human resources must be managed properly to increase the effectiveness and efficiency of the organization[12].

#### Employee performance

According to [13]performance is the result of work in quality and quantity achieved by an employee in carrying out tasks in accordance with the responsibilities that have been given to him. Performance is an important aspect in achieving a goal. Maximum achievement of goals is the result of good team or individual performance, and vice versa failure to achieve the goals that have been formulated is also the result of suboptimal individual or team performance. Many limitations put forward by experts related to performance.

According to [14] states that performance is the result of work that can be achieved by a person or group of people in an organization in accordance with their respective authorities and responsibilities, in order to achieve the goals of the organization concerned legally, not violating the law and in accordance with morals and ethics. An employee's performance is good if he has high skills, is willing to work because he is given wages or salaries in accordance with the agreement and has good future expectations. According to [15, 16]the assessment of the performance of each employee is measured by indicators namely Quality, Quantity, Punctuality, Effectiveness, Independence,

# Theoretical Framework

Figure 1 shows the framework of research by [4, 5], [17], [2, 3] which have been modified for this study.



Based on the framework that has been described, the following hypotheses were obtained:

H1: Emotional Intelligence has a positive effect on Employee Performance

H2: Human Resource Development has a positive effect on Employee Performance

# **RESEARCH METHODOLOGY**

In this study, researchers used descriptive and verification research methods. Descriptive research can help researchers to understand the characteristics of a group in certain situations, think systematically about an aspect in certain situations, offer ideas for problems and future research, help make simple decisions [18]. The unit of analysis in this research is the employees of PT Asuransi Jiwa Prudential Medan.

population included in this study were 250 employees of the marketing division of Prudential Life Assurance Medan Branch. The sampling technique used is purposive sampling. Purposive sampling is a sample taken with a specific purpose or purpose. The sample calculation uses the slovin formula with an error rate of 10%, so that the sample from this study is 71 samples of the number of employees of the marketing division of PT Prudential Life Assurance Medan Branch.

The collection of data that has been taken is based on sources, namely there are primary sources and secondary sources [19, 20]. Primary sources are taken from data that has been obtained through observations, questionnaires, and interviews [21] while secondary data sources are obtained but not taken directly through media related to companies or other parties. In using the multiple linear regression method to simplify calculations, it will be managed using a Statistical Product and Service Solution (SPSS) software. Data processing in this SPSS application can be used according to predetermined modules, including data editor, viewer, high-resolution graphics, database access, data transformations, with relational databases, distribution analysis. multiple sessions, mapping, visualization, and others. [22, 23] Data processing with SPSS application produces outputs in the form of normality, correlation, linearity, multiple linear regression values.

#### **Results and Discussion**

Based on the data collected, it is known that the respondents for gender characteristics, the majority of employees of PT Prudential Life Assurance Medan Branch in this study were female as many as 39 respondents (55%). Furthermore, for the latest educational characteristics, the majority of employees have a high school education as many as 29 respondents (40%).

# **Data Normality Test**

The data normality test aims to determine whether the data used in the regression model has been normally distributed or not. Normal distributed data means that the sample data can represent the population. The data is said to be normal if the significance value is more than 0.05

Table 1

Normality test					
		Unstandardized Residual Predicted value			
Ν		71			
Normal parameter, a, b	Mean	34.1549296			
	Std. Deviation	1.12675356			
Most Extreme	Absolute	.086			
Difference	Positive	.075			
	Negative	088			
Test Statistics		.728			
Asymp. Sig. (2-tailed)		.664			

Based on the results of the normality test in the table above, it shows that the Sig level is 0.664 > 0.05. This means that the significance level is more than 0.05. Thus it can be concluded that all variables in this study are normally distributed.

## **Multicollinearity Test**

Multicollinearity test was conducted to determine whether there was a correlation or relationship between independent variables in the regression model. To find out whether there is multicollinearity or not, that is by looking at the Variance Inflation Factor (VIF). If the VIF value is not more than 10, then multicollinearity occurs. This can be seen from:

Table 2

Multicollinearity test							
Model 1	Unstandardize Model 1 Coefficients		Standardized Coefficients	т	Sig.	Collinearity Statistics	
	В	Std. Error	Beta			Tolerance	VIF
Constant	15.571	3.628		4,291	.000		
Emotional Itellgance	.293	.089	.358	3.284	.002	.889	1.124
Human Resource	.255	.096	.096	2.668	.010	.889	1.124

Based on the results of the calculations in the table above, the tolerance value shows that none of the independent variables has a VIF value of more than 10 and the tolerance value has no value less than 0.1. so it can be concluded that there is no multicollinearity between emotional intelligence and human resource development.

#### Multiple Linear Regression Analysis

The analytical model used in this study is multiple regression analysis. Multiple regression analysis serves to determine the magnitude of the influence of emotional intelligence and human resource development on employee performance at PT Asuransi Jiwa Prudential Medan branch.

Model 1	Unstandardized Coefficients		Standardized Coefficients	т	Sig.			
	В	Std. Error	Beta					
Constant	15.571	3.628		4,291	.000			
Emotional Itellgance	.293	.089	.358	3.284	.002			
Human Resource	.255	.096	.096	2.668	.010			

**Multiple Regression Output** 

Based on the results shown in the table above, the multiple regression equation model is obtained as follows:

Y = 15.571+ 0.293X1 + 0.255 X2 + e

# **Coefficient of Determination**

The coefficient of determination (R2) generated from the structural equation model to express the magnitude of the influence given to the dependent variable from the independent variables associated with the respective influence paths shows the following results.

#### Table 4

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin Watson			
1	.531	.282	.261	1.825	2.474			

Model Summary

Source: Processed	primary	/ data
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The calculation results above show that in this model the variables of emotional intelligence and human resource development together have an effect on employee performance of 28.2%. This means that the proportion of influence exerted by exogenous variables on endogenous variables in this study contributes to the influence of 28.2% while the remaining 71.8% is influenced by other factors.

## F Model

According to [24], the goodness of fit test is carried out to measure the accuracy of the sample regression function in estimating the actual value statistically. The goodness of fit model can be measured from the statistical value of F which indicates whether all the independent variables included in the model have a joint influence on the dependent variable.

Та	ble	5
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Model 1	Sum of Square	df	Mean Square	F	Sig.
Regression	88.870	2	44.435	13.345	0.000b
Residual	226.426	68	3.330		
Total	315.296	70			

Anova

Based on the ANOVA table above, a significance of 0.000 can be obtained where the number is <0.05, so that the hypothesis is accepted, which means it shows that the test model is feasible to be used in research.

## T-test

The t-test was conducted to determine the effect of partial emotional intelligence and human resource development on employee performance, which was tested at a significant level of 0.05 with the basis for making decisions by looking at the comparison value between t count > so that the hypothesis can be accepted.

#### Table 6

Coefficients							
Model 1	Unstandardized Coefficients		Standardized Coefficients	т	Sig.		
	B Std.		Beta				
		Error					
Constant	15.571	3.628		4,291	.000		
Emotional	.293	.089	.358	3.284	.002		
Intelligence							
Human Resource	.255	.096	.096	2.668	.010		
Developm							

Based on the results above, emotional intelligence has a t count of 3.284 which is greater than a t table of 1.6675 so it can be concluded that the hypothesis is accepted, meaning that emotional intelligence has a significant positive effect on employee performance, as well as human resource development has a t count of 2.668 > t table is 1.6675 so it can be concluded that the hypothesis is accepted, so that the development of human resources has a significant positive effect on employee performance.

## The influence of emotional intelligence on employee performance

Based on the results of the study, it is known that the influence between emotional intelligence has (p = 0.002 < 0.05) then Ho is rejected and Ha is accepted, meaning that there is a positive influence between emotional intelligence on employee performance. This is if emotional intelligence is applied properly and appropriately, employee performance will increase, and vice versa if emotional intelligence is applied poorly then employee performance will decrease. The results of this study are supported by the research of [4, 5].

Emotional intelligence is needed by employees in order to achieve success both in the career field and in their social life, some experts state that someone who has a high IQ can experience failure in academics, career and social life and vice versa someone who has average intelligence gets success. In his life, therefore it can be concluded that IQ can only measure a small part of human abilities and has not captured skills in other life problems.

# The influence of human resource development on employee performance

Based on the results of the study, it is known that the influence between human resource development and employee performance has a value (p = 0.010 < 0.05), then Ho is rejected and Ha is accepted, meaning that there is a positive influence between human resource development and employee performance. The results of this study are in line with the theory of human resource development which aims to improve and develop individual skills, knowledge, and abilities according to current and future needs, as well as research by [20, 25]

# CONCLUSIONS AND SUGGESTIONS

#### Conclusion

Based on the results of the study, it can be concluded that emotional intelligence and human resource development partially have a positive influence on employee performance at PT. Prudential Life Insurance Medan branch, and both simultaneously have an effect of 28.2%. this shows empirically emotional intelligence and human resource development are factors that need to be developed in achieving a company goal in order to create an increase in employee performance and will indirectly improve company performance.

## Suggestion

The suggestions that researchers can express in this study are:

For PT. Prudential Life Insurance Medan branch, can develop human resources that are more focused in the form of training that is directed towards ability, creativity and innovation so that it can shape the emotional intelligence of each employee for the better. As for other research, it is used as reference material in conducting research related to the influence of emotional intelligence on employee performance. In addition, it appears that there are other factors (independent variables) outside of this study, so it will be more accurate and give a positive value if other relevant variables are added. Such as intellectual intelligence and spiritual intelligence.

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