EDUCATION AND CORE SKILLS IN THE PERFORMANCE WITH MEDIATING ROLE OF EMPLOYEE INNOVATION

Sinaga O., Lis M., Razimi M.S.A.

Abstract: This study is aimed to examine the impact of tourism education and core tourism skills on the performance of employees in tourism industry in Indonesia. Additionally, the moderating effect of innovation in tourism has also been examined regarding the associations between tourism education and core tourism skills with the employees’ performance in tourism sector. This is a quantitative research in which questionnaire was used with Likert scale. Sample consists of 400 employees of tourist sector in Indonesia. Survey questionnaire was used to collect the data from tourism management companies of Indonesia. The study revealed that employee education and employee core skills increase the employee’s innovation which ultimately shows positive effect on employee performance. Therefore, employee innovation has mediating role between employee education, employee core skills and employee performance. Thus, the study provides valuable insights for practitioners while making the strategies to enhance employee performance in tourism industry.

Keywords: Tourism education, employee innovation, employee’s performance

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Introduction

The tourism business is a dynamic area, contributing all-inclusive to countless. More than one of every seven undertakings in the EU’s non-money related business economy is considered as a "tourism action" (Buhalis and Amaranggana, 2015). Across the board explore in tourism financial matters affirms positive effects on goals and national and provincial development (Kum et al., 2015). Administrations of numerous nations have made reference to that tourism is an intense “industry without smokestacks” that empowers them to convey on this guarantee of occupation creation (Carter et al., 2015). May be in particular, tourism gives employments to ladies, youngsters and other hindered bunches in the work advertise (Amir et al., 2015). As of late be that as it may, the capability “without fireplaces”, is progressively being scrutinized. Negative social and ecological effects of tourism on society are putting the business for some problems. Tourism contributes considerably to worldwide CO₂ outflows (Peeters, 2017) and numerous urban and city goals are confronting the...
limits of development and enduring under the weight of over tourism (Koens and Postma, 2016). These skills are considered to wind up significantly more important, in a general public that is confronting quick innovative changes. Organizations are searching for experts that can interface with machines and can join specialized and in addition social skills (Odhong et al., 2014; Lis and Szczepeńska-Woszczyra, 2015). Particularly advanced skills and green (practical improvement) skills, are not really prepared in tourism courses. (Peters, 2005) addressing the difficulties identifying with quality, versatility and expansion are upset by skills holes and challenges in enrollment. Also, entrepreneurs experience issues in selecting higher talented and more expert staff (Peters, 2005; Dacko-Pikiewicz and Walancik, 2016). Since establishments of advanced education should be leaders in information generation, this contention presents them for a gigantic test, and may even be an existential danger. This, additional to the made reference to reality that there is an absence of association between hypothetical establishments (conveyed through traditional didactical techniques, for example, addresses and workshops), and the quickly changing business condition of tourism organizations that are relied upon to enroll the alumni. Organizations show up not to trust on educational foundations any longer to convey the experts of things to come (Eisner, 2017; Závadský et al., 2016; Shpak et al., 2017). The journey for inventive learning strategies that successfully enable new experts to work in this unique new tourism business condition winds up louder.

Various studies are carried out in the field of tourism, however, in rare case the previous studies consider the element of tourism education, particularly in Indonesian. Thus, the current study addressed this literature gap by developing following objectives:

1. To investigate the role of employee education to expedite employee innovation.
2. To investigate the role of employee core skills to expedite employee innovation.
3. To investigate the role of employee innovation to expedite employee performance.
4. To investigate the mediating role of employee innovation.

Literature Review

According to Renfors (2017), most tourism performance thinks about spotlight on the lodging part, to a great extent disregarding the reliant idea of tourism. A tourism esteem affix performance estimation structure to comprehend the diverse sectors of tourism (Yılmaz and Bitići, 2006). Goal performance by looking at Spain and Turkey, and was one of the first to utilize the expression "goal performance" (Yılmaz and Bitići, 2006). Today, look into on tourism goal performance (TDP) has expanded generously, and is particularly wealthy in the accompanying zones: tourism endeavors (Chen, 2010), inns industry (Ţigu and Călăreţu, 2013), organizations, examine performance in tourism and
accommodation (Law and Chon, 2007), showcasing, ecological performance in the hotel segment, open transport goal fulfillment (Thompson and Schofield, 2007), surveying goal performance (Assaf and Tsionas, 2015), feasible performance pointers of tourism advancement strategies (Castellani and Sala, 2012), site data, and goal mark quality. Be that as it may, examinations of TDP and its assessment files all the more extensively, have not been done inside and out. The last is by and large most perceived (Luo, 2011), however both give a method for understanding TDP. From the point of view of open organization, this paper sees tourism goals as an open product with open esteem. Goal improvement is an outcome arranged, consistent usage process. It should center not just around quantifiable financial development and enhancing mechanical productivity, yet additionally perceive the significance of the viability of speculations, improving social advantages and ecological security (Ali and Frew, 2013).

The investigation of tourism is moderately new, just like it’s across the board acknowledgment as a fundamental and developing industry. Various definitions exist for tourism, for the tourist, and the tourist (or tourism) industry, to give some examples specialized terms. This randomness exists inferable from the way that there are a wide range of sectors and experts associated with tourism, all utilizing definitions for various purposes (Petroman, 2013). The issue of non-consistency additionally can be followed back to the educational suppliers themselves. Jenkins brings up that, "by and by, the tourism prospectus educated by any establishment will mirror its custom, staff understanding, and interests" (Chan and Kuok, 2011). To a few, the arrangement lies in the reception of central subjects (Katircioğlu, 2010), however it must be noticed that to force consistency is smother imagination inside tourism education. It has even been said that little firm managers particularly have a tendency to incline toward employment experience to capabilities in enrollment (Harvey and Moeller, 2009). Likewise, decent variety of the business makes center past quite certain training, (ticketing operators, inn gourmet experts, and so forth.) exceptionally troublesome. At the point when the primary highlights of tourism education emerge through activities by the tourism condition from one perspective and the universe of education on the other, with no agreement between the two, issues emerge for those on the less than desirable end of tourism education. The tourism business is tormented with abnormal amounts of drop-out or development to other profession zones inside generally brief periods after graduation.

Tourism education has dependably had a solid expert concentration with educational program incorporating training in particular skills crucial in the work (Zehrer and Mössenlechner, 2009). As indicated by Zehrer and Mössenlechner (2009) it is vital for the work extraordinary tourism industry to draw in exceptionally qualified laborers with the skills and information important to meet the prerequisites of the businesses. Development in worldwide tourism business has made a requirement for universally able and qualified alumni. Numerous unmistakable markets, for example, China, India, and Brazil, and also districts, for
example, Eastern Europe and the Middle East, have developed so quickly that they currently speak to business sectors with incredible guarantee for the tourism business (Ayon et al., 2010). Since tourism industry is very various and globally arranged, the businesses depend on workforce to be required with universal tourists and to welcome and address their issues (Sangpikul, 2009). They work in a multicultural business condition and are continually in contact with different nationalities as clients. Renfors (2017) has reprimanded the tourism business of striking holes in skills and bungles. The new Skills Agenda for Europe goes for improving utilization of the skills that are accessible: to furnish individuals with the new skills that are required, to enhance the quality and pertinence of skills development and to make skills more unmistakable and similar (Renfors, 2017). Therefore, the meaning of ability is connected in this investigation (Renfors, 2017). The term aptitude alludes ordinarily to the utilization of strategies or instruments in a specific setting and in connection to characterized undertakings (Renfors, 2017). In this examination, skills are considered inside the tourism business and with regards to universal tourism business advancement.

Innovation in the realm of tourism began to create in the nineteenth century with the main sorted out treks by Thomas Cook and later on created by the necessities and wants of tourists, enabling them to make their own occasions with measured and dynamic bundling and by offering customized occasions (Keller, 2004). Stipanović and Elena (2014) stated that wat's more, tourism goals throughout the years figured out how to perceive the desires of tourists and built up some new attractions and offers. In his various contextual investigation on ICT driven and upheld innovations in tourism that the privilege ICTs and opportunity of travelers amid the association of their movement are innovations in tourism that are picking up an expanding significance (Keller, 2004). Slivar et al., (2016) innovations are additionally required in building up tourism arrangements, and hence, considering the strategy of the Federal Republic of Germany, explored the significance of creative methodologies in the planning of tourism approach. He called attention to some particular inquiries which will be replied with the foundation of an approach which grasps four issues: expanding portability, the job of new data advances, populace maturing and manageability. Employee innovation reflects the positive effect of employee education and employee core skills on employee performance. Both employee education and employee core skills increase employee innovation which effect positively on employee performance. Thus, employee innovation has meditating role between tourism education and employee performance.

Figure 1. Theoretical Framework
**H1**: There is a significant relationship between tourism education and employee’s innovation.

**H2**: There is a significant relationship between core skills for tourism and employee’s innovation.

**H3**: There is a significant relationship between employee innovation and employee’s performance.

**H4**: There is a significant mediating role of innovation between employee education for tourism and employee’s performance.

**H5**: There is a significant mediating role of innovation between employee’s core skills for tourism and employee’s performance.

**Research Methodology**

The nature of current research study, cross-sectional design with quantitative research techniques was adopted to achieve the major objective (Salem et al., 2016). Data were collected from the tourism management companies in Indonesia. Tourism management companies are those companies which have special goal to facilitate tourists such as government owned companies to boost tourism activity. Employees of these companies were selected as the respondents for this study. Comrey and Lee (1992) presented sample in a series for inferential statistics. “Sample having less than 50 participants will observed to be a weaker sample; sample of 100 size will be weak; 200 will be adequate; sample of 300 will be considered as good; 500 very good whereas 1000 will be excellent”. Therefore, in the current study 300 sample size was decided. Survey questionnaire was used to collect the data from tourism management companies of Indonesia. Questionnaires were distributed by using simple random sampling. Hence, 400 questionnaires were distributed among the employees of tourism management companies of Indonesia. The response ratio was 65%. Questionnaires were distributed with the help of simple random sampling. The lists of employees were gathered from these companies and respondents were selected randomly by the researcher. This data collection takes three months from August to October 2018. Moreover, 5-point Likert scale was used to collect the data. Moreover, Smart PLS 3 was used to analyze the data. All the measures related to the employee education (EE), employee innovation (INO), employee core skills (CS) and employee performance (EP) are adapted from previous studies.

**Data Analysis**

SmartPLS 3 was applied to examine the measurement of the model. Factor internal consistency process, AVE, Cronbach's alpha with the Composite reliability were measured (Salem et al., 2018). The results of this model have been given in Table 1. These results show that every value with a factor loading more than 0.70. so, each item with value in the factor loading above 0.60. Internal consistency was achieved as the factor loading values are more than 0.50 showing approved the
convergent validity. Further, AVE and Composite reliability were more than satisfactory range between 0.70 and 0.50, correspondingly. The external consistency, furthermore, for the discriminant validity used the Fornell and Larcker criteria to approve. Table 2 is for the results of discriminant validity.

Table 1. Alpha Factor Loading, Composite reliability and average variance extracted

<table>
<thead>
<tr>
<th>Construct</th>
<th>Cronbach Alpha</th>
<th>CR</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Education</td>
<td>0.855</td>
<td>0.769</td>
<td>0.655</td>
</tr>
<tr>
<td>Employee Core Skills</td>
<td>0.783</td>
<td>0.986</td>
<td>0.663</td>
</tr>
<tr>
<td>Employee Innovation</td>
<td>0.796</td>
<td>0.858</td>
<td>0.768</td>
</tr>
<tr>
<td>Performance</td>
<td>0.894</td>
<td>0.850</td>
<td>0.796</td>
</tr>
</tbody>
</table>

Table 2. Discriminant Validity

<table>
<thead>
<tr>
<th></th>
<th>EE</th>
<th>CS</th>
<th>INO</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Education</td>
<td>0.875</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee Core Skills</td>
<td>0.764</td>
<td>0.769</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee Innovation</td>
<td>0.731</td>
<td>0.711</td>
<td>0.698</td>
<td></td>
</tr>
<tr>
<td>Performance</td>
<td>0.730</td>
<td>0.684</td>
<td>0.677</td>
<td>0.642</td>
</tr>
</tbody>
</table>

Table 3 exhibits the measurement model assessment puts direct effects. It comes to know that all the direct associations having t-value more than 1.96 at 0.05 level of significance (Jabarullah and Hussain, 2019). So, all the relations have been significant. Furthermore, β-value exhibits a positive association. Therefore, all the hypotheses (H1, H2, H3) have been approved as shown in Table 3.

Table 3. Direct Result

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>β-value</th>
<th>(STDEV)</th>
<th>T Statistics</th>
<th>P-Value</th>
<th>f2</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1: EE→INO</td>
<td>0.231</td>
<td>0.121</td>
<td>3.672</td>
<td>0.011</td>
<td>0.12</td>
<td>Accepted</td>
</tr>
<tr>
<td>H2: CS→INO</td>
<td>0.251</td>
<td>0.183</td>
<td>3.321</td>
<td>0.001</td>
<td>0.02</td>
<td>Accepted</td>
</tr>
<tr>
<td>H3: INO→EP</td>
<td>0.201</td>
<td>0.159</td>
<td>3.997</td>
<td>0.000</td>
<td>0.14</td>
<td>Accepted</td>
</tr>
</tbody>
</table>

Note: EE = Employee Education; SC = Employee Core Skills; EP = Employee Performance; INO = Employee Innovation

Additionally, Table 4 exhibits that mediation effect has been significant with t-value 3.171 with positive β-value. Thus, Innovation is a mediating variable between employee education and Performance. Hence, H-3 is accepted. Similarly, mediation effect has been significant with t-value 2.698 with positive β-value. So, innovation is a mediating variable between core skills and Performance. Hence, H-4 is accepted.

Table 4. Mediation Result

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>β-value</th>
<th>(STDEV)</th>
<th>T Statistics</th>
<th>P-Value</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>H3: EE→INO→EP</td>
<td>0.215</td>
<td>0.087</td>
<td>3.171</td>
<td>0.002</td>
<td>Mediation</td>
</tr>
<tr>
<td>H5: CS→INO→EP</td>
<td>0.314</td>
<td>0.090</td>
<td>2.698</td>
<td>0.001</td>
<td>Mediation</td>
</tr>
</tbody>
</table>
Findings

The literature shows that there are several variables prompting employee performance. Though, the most definite variables, employee education, core skills and innovation. The t-value is greater than the standard value of 1.96 at 0.05 significant level is acceptable. Further, the path between employee education and employee innovation (β=0.231, t-value=3.672, p<0.05), shows a positive significant relationship. Therefore, the current research originated a significant positive relationship between employee education and employee innovation, supporting H1. Similarly, CS→EP (β=0.251, t-value=3.321, p<0.05), values show a positive significant association between core skills and employee performance, further β value showing that 25% contribution of skills So, there is a significant positive association between CS→EP, therefore it supports for H2. Therefore, it exhibits that increase in skills would increase in innovation to the same way. As it is proved by Waheed and Hameed (2011) that employee development has positive effect on employee performance. Employee core skills are one of the parts of employee development. Similarly, INO→EP (β=0.301, t-value=3.997, p<0.05), values show a positive significant association between innovation and employee performance, further β value showing that 30% contribution of innovation So, there is a significant positive association between INO→EP, therefore it supports for H3. These results are consistent with various previous studies (Alawamleh et al., 2018; Osman et al., 2016; Sadikoglu and Zehir, 2010). Further, the mediating role of innovation between education and employee performance (β=0.215, t-value=3.171, p<0.05), values show a strong mediating role of innovation between education and performance. For mediation, the results of this study show INO between EE and EP, Hence H4 mediated. Additionally, the mediating role of innovation between core skills and employee performance (β=0.314, t-value=2.698, p<0.05), values show a strong mediating role of innovation between employee skills and performance. For mediation, the results of this study show INO between employee skills and performance, Hence H5 is mediated.

Conclusion

The findings of this study concluded that implying the training education immensely boosts up the level of performances of employees within the tourism industry in Indonesia. Along with the training education another fundamental aspect that has a tendency to increase the performance of employees. This is the core competencies/skills of employees relating to the skills employability in tourism industry of Indonesia. Moreover, the moderating role of innovation in tourism sector put a strong positive effect on the relationships between training education and core tourism skills with the performance of employees. The tourism trend is different in each country. Every country has different focus on tourism which effect on the tourism industries. Those countries which have more focus on
tourism industry are focusing more on development of various tourism companies. Therefore, the results of the study cannot be generalized to other countries.

Managerial Implications

The employee should have a reasonable level of experience with convention and visitor bureaus or similar work. Prior experience should be business oriented. Preference should be given to those that have held previous tourism-oriented positions: e.g. chamber of commerce, tourism development, assistant tourism offices and regional tourism offices. The employee should have a minimum of a bachelor’s degree, preferably in a business or tourism area, though extensive prior experience may supplement this requirement for individuals with non-business degrees. The employee should possess excellent communication skills, oral, written, internal, and external. The employee should work well with people. This position requires individuals who can work well with a variety of tourism publics, e.g., local attractions, accommodations, retail and food and beverage facilities, the local governments, and contact people for the markets segments the bureau would like to attract. The employee should understand tourism as a force in the community and be able to relate this concept to the local community. This will require long term planning and a tourism program for maximum economic benefit and minimum social and cultural harm.

References

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Streszczenie: Niniejsze badanie ma na celu zbadanie wpływu edukacji turystycznej i podstawowych umiejętności turystycznych na wyniki pracowników w branży turystycznej w Indonezji. Ponadto zbadano także łączny wpływ innowacji w turystyce na związki między edukacją turystyczną a podstawowymi umiejętnościami turystycznymi z wynikami pracowników w sektorze turystycznym. Jest to badanie ilościowe, w którym wykorzystano kwestionariusz ze skalą Likerta. Badanie obejmowało 400 pracowników sektora turystycznego w Indonezji. Kwestionariusz ankiet został wykorzystany do zebrania danych z firm zarządzających turystyką z Indonezji. Badanie wykazało, że edukacja pracowników i podstawowe umiejętności pracowników zwiększają innowacyjność pracownika, co ostatecznie wpływa pozytywnie na wydajność pracowników. Dlatego innowacje pracowników odgrywają rolę pośrednika między edukacją pracowników, podstawowymi umiejętnościami pracowników i wydajnością pracowników. W związku
z tym badanie dostarcza cennych informacji dla praktyków podczas opracowywania strategii zwiększania wydajności pracowników w branży turystycznej.

Słowa kluczowe: edukacja turystyczna, innowacje pracowników, wyniki pracowników

**Summary:** This study aims to discuss the impact of tourism education and core tourism skills on the performance of Indonesian tourism employees. Furthermore, it examines the role of tourism innovation in the relationship between tourism education and core tourism skills and employee performance. This is a quantitative study, where a questionnaire with a Likert scale was used. The sample consists of 400 employees from the tourism sector in Indonesia. The survey was used to collect data from Indonesian tourism management companies. The study indicates that employees' education and core skills can improve their innovative abilities, ultimately affecting performance positively. Therefore, employee innovation in employee education, employee core skills, and employee performance acts as a mediator. Thus, this study provides valuable insights, at the same time formulating strategies to improve tourism employee performance.

**Keywords:** tourism education, employee innovation, employee performance