
Comparison of Employee Tenure to Employee Productivity

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ABSTRACT

This study aims to explore differences in employee productivity levels based on tenure, revealing that employees with less than three years of service generally exhibit lower productivity compared to their more seasoned counterparts. The research was conducted at PT Didu Indonesia, focusing specifically on a comparative analysis of productivity between employees with tenure under three years and those with tenure exceeding three years. Employing a quantitative research design, the study utilized secondary data, comprising productivity records from 60 employees categorized by tenure from 2021-2023. Data analysis was performed using SPSS, with the Kolmogorov Smirnov test yielding a statistic of 3.873 and an asymptotic significance (2-tailed) of 0.000. Since this result is below the 0.05 threshold, the null hypothesis (H0) was rejected in favor of the alternative hypothesis (H1), confirming that the productivity levels between the two groups are significantly different.

The implications of these findings are significant for human resource management and organizational strategies. The observable gap in productivity based on tenure suggests that companies should consider implementing tailored onboarding and mentorship programs for new employees to enhance their productivity more swiftly. Fostering a supportive work environment that facilitates skill development and knowledge transfer is crucial.

Moreover, identifies a need for ongoing training and professional development opportunities tailored to employees with varying levels of tenure. Organizations can ultimately benefit from recognizing the contributions of long-tenured employees, utilizing their experience as mentorship resources while investing in the growth of newer employees to bridge the productivity gap. By addressing these dynamics, PT Didu Indonesia and similar organizations can create a more cohesive, productive workforce that enhances overall organizational performance and job satisfaction.

Keywords: Comparative Study, Productivity, Employee Tenure, SPSS

INTRODUCTION

The development of the industrial world has driven manufacturing companies to adapt to complex business environments. Complexity in the manufacturing industry includes product complexity, process complexity, and operational complexity. The complexity of the business environment is crucial for a company's survival, both from the perspective of consumers and competitiveness. Industrial processes in the manufacturing industry are characterized by the transformation of inputs into outputs, for example, the furniture and furniture industry (Ahmad et al., 2018). According to Gagliardi et al., (2023), employee productivity is a benchmark for every company in conducting its business activities, both in terms of product quality and quantity. Productivity refers to the efficiency and effectiveness of a company's production, that is, how well a company can produce goods or services using available resources optimally (Orlin Artika et al., 2021).

Efficiency and effectiveness in the production process are influenced by several factors within it. Factors that affect productivity include employee skills, abilities, and knowledge (Ramadhani et al., 2020). There are various factors that influence employee skills and knowledge in a company. The impact of experience affects employee skills and knowledge in a company (Nurdiawati & Safira, 2020). The experience possessed by employees will form knowledge, abilities, and skills in working, which will increase the ability of employees to complete tasks assigned to them (Shin et al., 2022). Employee experience can influence employee competence in a company through the increase in knowledge, abilities, and skills in completing their tasks (Lestari et al., 2020).

Tenure will align with the experience possessed by an individual. Therefore, the longer someone's tenure, the more extensive their experience in facing challenges and achieving success (Latief & Wilanda, 2019). Tenure provides opportunities for developing work experience, knowledge, and skills of an employee. This work experience makes someone have skilled, responsive, stable, calm, able to analyze difficulties, and ready to overcome them. Employee tenure is distinguished into two, namely new tenure (>3 years) and long

tenure (>3 years) (Rahayu Mardikaningsih et al., 2022). Additionally, employee productivity also affects the increase in employee performance (Olayisade & Awolusi, 2021).

The influence of employee productivity on a company is crucial. Research has previously investigated the relationship between employee productivity and tenure. Research by (Nurdiawati & Safira, 2020) also showed that employees with shorter tenure are at risk of lower productivity. In contrast, employees with longer tenure have more experience and tend to produce higher productivity. The relationship between tenure and experience is interconnected. Experience gained before joining a company can partially replace tenure but not fully. This implies that having prior work experience cannot fully compensate for tenure in achieving maximum productivity.

Research (Gagliardi et al., 2023) found a positive influence of tenure on job productivity that tends to decrease as tenure increases. This decrease in productivity is attributed to factors such as job routine, job complexity, and company characteristics. Despite other studies suggesting that longer tenure leads to increased experience and, consequently, higher productivity, the phenomenon of employee boredom and fatigue also arises when performing the same tasks repeatedly over a long period. This phenomenon is a problem in the relationship between tenure and employee productivity. This study aims to investigate the relationship between tenure and employee productivity at PT Didu Indonesia. This study seeks to investigate the relationship between employee productivity and tenure by comparing the productivity levels of employees based on the length of their service. The research will focus on determining whether there are significant differences in productivity between employees with less than three years of tenure and those with more than three years at PT Didu Indonesia. By examining these productivity differences, the researcher aims to understand how tenure influences employee performance and identify potential factors that may contribute to variations in productivity levels. This exploration will provide valuable insights into the impact of employee tenure on workplace efficiency and effectiveness, ultimately contributing to better management practices within the organization.

METHOD

This study is quantitative research with a comparative approach. Comparative research is a study that compares the existence of one or more variables across two or more different samples (Sekaran & Bougue, 2017). Comparative research aims to compare two different samples against one or more variables to determine whether there is a correlation or not from the object being studied. In this study, the research location chosen by the author is PT Didu Indonesia, located in Malang.

The data in this study consists of secondary data. The data collection technique in this study is collecting secondary data related to company documents or records regarding employee productivity using documentation and interview techniques. Secondary data is a source of data that refers to information collected by someone other than the researcher (Sekaran & Bougie, 2017). The secondary data was obtained from employee productivity records at PT Didu Indonesia over the past three years, from 2021 to 2023. The sample size taken by the researcher in this study is 60 employees from PT Didu Indonesia, divided into two groups based on tenure, consisting of: New Tenure (< 3 Years) and Long Tenure (> 3 Years). Each group in this study consists of 30 employees. According to Roscoe's theory in Sekaran & Bougie (2017), in comparative research, the minimum sample size required is 30 for each category. The data analysis technique involves performing the Kolmogorov Smirnov test on SPSS.

RESULT AND DISCUSSION

Table 1. Employee tenure distribution

Years Of Service	Amount
1-3 years	30 people
3-6 years	10 people
6-9 years	11 people
9-12 years	5 people
12-15 years	4 people

Total	60 people
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Resources: Processed by the researcher

Based on Table 1, it is known that employees with less than 3 years of tenure (new tenure) are 30 people, and employees with more than 3 years of tenure (long tenure) are 30 people, with the largest number of employees with 6-9 years of tenure with 11 people and the smallest number of employees with 12-15 years of tenure with 4 people.

Table 2. Productivity Difference Test Results for Employees 2021-2023

Descriptive Statistics					
	N	Mean	Std. Deviation	Minimum	Maximum
<u>Produktivitas</u>	60	83095.93	5754.562	73237	92565
<u>MasaKerja</u>	60	1.50	.504	1	2

Frequencies		
	<u>MasaKerja</u>	N
<u>Produktivitas</u>	<u>Baru</u>	30
	<u>Lama</u>	30
	<u>Total</u>	60

Test Statistics^a		
		<u>Produktivitas</u>
Most Extreme Differences	Absolute	1.000
	Positive	1.000
	Negative	.000
Kolmogorov-Smirnov Z		3.873
<u>Asymp. Sig. (2-tailed)</u>		.000
a. Grouping Variable: <u>MasaKerja</u>		

Resources: Processed by the researcher

Based on Table 2, the first part presents descriptive statistics, showing that the total number of observations is 60, and the highest productivity of employees is 92.565, while the lowest is 73.237. The second table, Table Frequency, shows the number of employees with new tenure (<3 years) with 30 employees, and employees with long tenure (>3 years) with 30 employees. The third table, Test Statistic, shows the result of the Kolmogorov Smirnov test = 3.873 and in the column of asymptotic sig (2-tailed) for two-sided testing, it is 0.000. The result is below 0.05 (0.000 < 0.05), which means that H0 is rejected and H1

is accepted, or the two samples are not identical or different, so it can be concluded that the level of productivity of employees with new tenure and employees with long tenure at PT Didu Indonesia in 2021-2023 is significantly different.

This study's results, which show the existence of differences in the level of productivity of employees with new tenure and employees with long tenure at PT Didu Indonesia, align with the results of a study conducted by Lakshmita (2022), which states that tenure has a significant impact on employee productivity. The diverse experiences and tenure of employees at PT Didu Indonesia cause differences in the level of productivity, which in this study are distinguished into two groups of employees based on their tenure. A previous study conducted by Caplin (2022) states that tenure and work experience of employees affect productivity. However, the work experience possessed by employees before joining the company cannot fully replace the role of tenure. In other words, tenure will form work experience of employees in a specific field of work. A study conducted by Safira & Nurdiawati (2020) also states that employees with long tenure will have a lot of work experience, which will increase their productivity. The job design at PT Didu Indonesia prioritizes the skills, abilities, and knowledge of employees in producing products according to consumer demand. In this case, employees with long tenure are identified as having higher experience than employees with new tenure, resulting in differences in productivity levels between employees with new tenure and employees with long tenure.

The work experience of employees at PT Didu Indonesia in the field of furniture production formed through their tenure at the company will increase their skills, abilities, and knowledge in completing their tasks. This aligns with a study conducted by Sunaryo & Ratriwardhani (2023), which states that tenure affects productivity because the longer the tenure of employees, the more their skills, abilities, and knowledge will develop and mature. Additionally, employees will become more skilled in completing tasks assigned to them because they are already accustomed to the work. This aligns with a study conducted by Meilinda (2022), which states that the tenure of employees will make them more skilled and increase their productivity, so their productivity will increase. The tenure of employees will align with the experience they possess. Therefore, the longer the tenure of an individual, the more extensive their experience in facing challenges and achieving success (Hermanto, 2012). Furthermore, Simanjuntak in Susilawati (2008) states that someone who has just started working has less experience and usually has lower productivity as well.

The results of this study show a significant difference in the level of productivity of employees based on two groups of employees with long tenure and employees with new tenure, based on employee productivity over the past three years. The results of the testing show a significant difference over the past three consecutive years, where the productivity of the two groups of employees increases each year, which does not align with a study conducted by Gagliardi (2023), which states that the influence of tenure on employee productivity tends to decrease as tenure increases. The decrease in productivity can be influenced by several factors, including job routine, job complexity, and company characteristics (Gagliardi, 2023). Based on the results of the test against the productivity of employees at PT Didu Indonesia over the past three years, the productivity of employees with long tenure (>3 years) tends to increase and is higher than that of employees with new tenure (<3 years). The difference in these results can be influenced by the complexity of the job at PT Didu Indonesia, which requires skills, abilities, knowledge, and agility within it. The job routine of employees also constantly changes according to the orders received by the company.

The results of this study, which show a significant difference in productivity based on two groups of employees with long tenure and employees with new tenure, explain the importance of employees in supporting company performance. According to Wirawan et al. (2019), employee productivity is a benchmark for every company in conducting its business activities, both in terms of product quality and quantity. Employee productivity also affects employee performance. The higher the employee productivity, the more it will impact the performance of the company, which will increase (Amalya et al., 2021). Employees with high productivity contribute to the efficiency and effectiveness of company operations. By using resources efficiently, a company can increase production output without increasing the costs to be incurred (Afandi, 2016).

Based on the above discussion, it can be concluded that employee tenure has a significant impact on employee productivity at PT Didu Indonesia. This is supported by the test results, which show a significant difference in productivity between employees with new tenure and employees with long tenure, where employees with long tenure have a higher level of productivity than employees with new tenure during the years 2021-2023. Employees with long tenure have a higher level of productivity than employees with new tenure. This is because tenure provides opportunities for developing work experience,

knowledge, and skills, as well as increasing agility in completing tasks. The employee management system based on salaries based on productivity also affects employee productivity, with results showing a low turnover rate and employee motivation to achieve maximum productivity.

CONCLUSION

The study found a significant difference in the level of productivity between employees with new tenure and employees with long tenure at PT Didu Indonesia, with employees with long tenure having a higher level of productivity. The test statistic result shows a Kolmogorov Smirnov test result of 3.873 and in the asymptotic sig (2-tailed) column for two-sided testing, it is 0.000. The result is below 0.05 ($0.000 < 0.05$), which means that H_0 is rejected and H_1 is accepted, or the two samples are not identical or different, so it can be concluded that the level of productivity of employees with new tenure and employees with long tenure in 2021-2023 is significantly different. The results of the study align with previous research that tenure has a significant impact on employee productivity, and that employees with long tenure tend to have more work experience and higher productivity. The study's findings have implications for HR practices, such as employee retention and development strategies, as well as for company performance and productivity.

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