

SUMMARY

Aryo Teguh Pribadi, 2013, **The Effect of Education and Training on The Ability and Performance of Employee** (A Study at PDAM of Malang City). Final Paper. The Concentration on Human Resource Management. Business Administration Department. University of Brawijaya Malang. **Promotors: (1) Dr. Djamhur Hamid, M.Si, (2) Drs. M. Mochammad Djudi Mukzam, M.Si.**

The title of research is "The Effect of Education and Training on The Ability and Performance of Employee (A Study at PDAM of Malang City)". The objective of research is to understand the significance of the effect of Education and Training Method (X_1) and Education and Training Material (X_2) on Work Ability (X_3) and Employee Performance (X_4).

Research type is explanatory research. Method of research is quantitative. This research is conducted to test a hypothesis whether there is a significant effect between independent variables of education and training method, education and training material, work ability and employee performance. The population of research is 411 permanent employees at PDAM of Malang City. The number of sample is 80 employees who are selected through *proportional stratified random sampling technique* (the population is considered as proportionally stratified).

Analysis techniques involve descriptive statistic analysis and inferential statistic analysis. Both analyses are used to examine the substances of the variables of education and training method, education and training material, work ability and employee performance at PDAM of Malang City. The scores are tabulated to acknowledge the average score of variables and therefore, it can be understood how far is the contribution of education and training method and education and training material, and how high is work ability and employee performance at significance rate of < 0.05 . Data are processed using a computer program of SPSS 15.00 for windows.

Result of inferential analysis with path analysis indicates that significance rate is $0.000 < 0.05$ (alpha) and Adjusted R-Square is 0.565. It means that Employee Performance (X_4) is influenced for 56.5 % by Education and Training Method (X_1), Education and Training Material (X_2), and Work Ability (X_3). The remaining of 43.5 % is affected by other variable beyond independent variable. Based on this result of analysis, it is estimated that there is a significant effect of Education and Training Method (X_1), Education and Training Material (X_2) and Work Ability (X_3) on Employee Performance (X_4). Therefore, the hypothesis stating that there is a significant effect between education and training method, education and training material, and work ability, simultaneously, on employee performance, is then, proved and therefore, acceptable.

It is concluded that there is a significant effect between variable of Education and Training Method (X_1), Education and Training Material (X_2), and Work Ability (X_3) on Employee Performance (X_4). The variables of Education and Training Method (X_1) and Education and Training Material (X_2) has been well applied at PDAM of Malang City.