

# Impact of Outbound Training in Organization Mission Statement: A Managerial Implication

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**Abstract.** This paper analyzes whether the purpose of outbound training can be a decisive factor that can have a significant impact on the achievement of an organization's mission statement. In this paper, Structural Equation Modeling - Generalized Structural Component Analysis (SEM-GSCA) will be used in the study to test the hypothesis of objective influence scientifically and also internally on the mission of the organization. MMT-ITS as postgraduate program in ITS-Surabaya has been selected as an example of an organization case to explore the effectiveness of outbound training programs in achieving organizational mission. The results of the analysis show that the objectives scientifically and internally from the outbound training activities will directly affect the achievement of the organization's mission. It was also found that the scientific objectives of outbound training activities can influence the mission statement of the organization better than the internal objectives of the outbound training activities.

**Keywords:** outbound training objectives; organization's mission statement; strategic management; MMT-ITS.

## 1 Introduction

There are four important components so that the organization can run effectively. The four components include the resources they have, the composition of the organization, the design of the work / role for each individual and the process variables that occur. In organizations, training for individuals who have an important role in filling the needs of each aspect of the four components above. Training on individuals can shape someone to become a player who will play a more important role in the organizational context, so that the effectiveness of the organization can be reached [1].

The training method called outbound training since the 1990s has been popular in the process of training human resources [2]. Several studies have proven that outbound training is able to have a positive impact on team development in the context of team work in various types / models of organizations / businesses [3] [4] [5]. Likewise in the field of education, the method of outbound training is widely used to help students learn some soft skills that will be needed in the future [6] [7] [8] [9].

Since 2005, MMT-ITS as postgraduate program in ITS-Surabaya has used the method of outbound training program to its students. One of the learning process that must be passed by MMT-ITS students is the new students must follow the series of activities Information and Orientation (I/O). The I/O activities are intended to make the new students of MMT-ITS faster

to know the organization of ITS in general and MMT-ITS in particular and the learning pattern in MMT-ITS. In the I/O activities there are sub activities called outbound that is experimental learning. The outbound sub-activities become obligatory for all new students MMT-ITS and become full of students to be able to submit a thesis proposal hearing.

From the angle of organizational perspective, MMT-ITS has several models of organizational members. There are board of directors, administration personnel, lecturers and students. Organizations can be called effective when each member is able to synergize with the indication of collective performance, positive synergy, individual accountability & mutual and complementary distribution capability [1]. Similarly, the MMT-ITS organization is also required to be an effective organization.

In the scope of a large organization, MMT-ITS is one of the organs in a large organization of the Institut Teknologi Sepuluh Nopember (ITS) that has an organizational vision to be achieved in the future. This vision is described in several organizational missions. In the process, the organization's mission is continuously evaluated so that it can be corrected for how to achieve its strategic competitiveness [10]. This evaluation is needed to see implementation as a result of a predetermined strategic formulation process [11][12].

This paper aims to analyze the correlation between the objectives of an activity formulated by management (in this case outbound training activities) with the mission statements of the organization owned by MMT-ITS. The results of this analysis are important as input to management for evaluation of the activities that have been carried out. Generally, the scientific study to be achieved through this paper is a contribution to strategic management knowledge and organizational behavior knowledge.

## **2 LITERATURE REVIEW**

### **2.1 Outbound Training Definition & Objectives**

The method of outbound training emphasizes fun and challenging outdoor activities that have general goals as a means of self-development and groups. The outbound training method emphasizes the learning process experimentally. The concrete form of the outbound training method is that participants are faced with several games that have been designed and have specific learning. Every game designed has philosophical value and is loaded with symbolic messages that are expected to help participants to process building character both individually and in groups. The outbound training method is considered to be the most effective method for accommodating / demanding the need for training results. This method is effective in building understanding of concepts and building behavior of individual characters to groups [9][11].

In the organizational point of view, in carrying out its activities organizational managers will design and arrange a series of activities. While a certain activity within the scope of the organization must have certain objectives that have been planned previously [12]. Outbound training as one of the activities that exist within the organization also has a series of specific goals. The scientific literature describes some of the objectives of outbound training activity is as follows [13]:

- **Effective communication**  
Effective communication is more than just information exchange. It's about understanding the emotions and intentions behind the information. Train effective communication becomes important in terms of self-development of each member of the organization to support the communication process among members of the organization.

- **Team building**  
Team building is a variety of activities used to improve social relationships by defining the role of each individual in a team that is by collaborating from various tasks. Awareness of each individual in his role is very important in forming a strong organization.
- **Problem solving**  
Individual problem solving ability is very important which includes the process of finding problems and solving based on accurate data and information, so that can be drawn precise conclusion and careful.
- **Self-confidence**  
Self-confidence is a belief in the ability and judgment (self-judgment) in doing tasks and choosing an effective approach. This includes a belief in its ability to cope with an increasingly challenging environment and trust in its decisions or opinions. Having self-confidence is very important in the development of self as a member in an organization.
- **Leadership**  
Leadership is the ability of a person to influence others. In the organizational context, leadership skills play an important role in encouraging members of the organization to achieve the organization's vision.
- **Synergy**  
Synergy is a form of win-win cooperation that is produced through the Collaboration of each member without any feelings of loss. In the organizational context, the ability of the organization to form a synergy is very important role in maintaining and directing the conflict.
- **Fun games**  
The intended purpose of fun games is that the outbound training is also fun activity. This means in becoming a tool for the members of the organization to refreshing from the psychological stress that may exist within the organization.
- **Concentration**  
The ability of member organizations to focus on a valuable matter is absolutely necessary to sort out and choose the effectiveness of problem solving.
- **Fairness**  
Fairness is justice and equal to all parties involved in the organization who must be fulfilled their rights. Ability to always uphold fairness is needed to promote the common goals (organization) above individual goals.

In the study, the objectives of outbound training activity in MMT-ITS shows that there are several other objectives to be given to the participants of MMT-ITS outbound training by MMT-ITS management. The objectives of outbound training is quite specific and desirable to be achieved by participants outbound training MMT-ITS and called objectives internal MMT-ITS. While the additional objectives of internal MMT-ITS obtained from the results of FGD (Focused Group Discussion) with MMT-ITS management board of directors. The result are:

- **Awaken the sense of belonging to campus**  
Aims to build student awareness on campus.
- **Awaken the sense of proud to campus**  
Aims to build student self-confidence because of studying on a high quality campus.
- **Enhance the egalitarian among students**  
Aims to foster a sense of equality between students to be able to form a strong network.
- **Enhance public speaking skill**

- Aims to develop presentation skills with public speaking level.
- Enhance scientific debate skill
- Aims to develop a constructive and logical debate skill.

## 2.2 Vision and The Organization's Mission

In the organizational context, the organization's vision represents the goals of the organization in the future. Vision represents the situation where the organization comprehensively, strengthening the objectives of the organization and the realization of the organization's strategy [14]. A good vision must be able to give a clear direction where the organization will move. Therefore, the vision must be easily understood by its members [15]. The organization's mission is the implementation of the vision that has been developed. The organization's mission confirms why organizations are needed to achieve vision. The organization's mission will fundamentally provide a different color from other organizations even in achieving the same vision. The organization's mission will be the identity of the organization so that it can be recognized by the surrounding environment as a certain identity in carrying out its activities. The organization's mission can help organizations find and utilize the resources they have in achieving the goals [16].

In this case study the mission of MMT-ITS organization related to education field will be analyzed its correlation that is [17]:

- Provide graduate level program and develop a future-oriented curriculum with high-level and advanced competencies to respond and adapt of change  
(Related to Curriculum)
- Provide high quality graduates in the field of Management of Technology  
(Related to Alumni Quality)
- Provide graduates with high commitment in the field of Management of Technology  
(Related to Alumni Commitment)
- Develop an innovative teaching & learning process by providing educational facilities & infrastructure and conducive academic atmosphere  
(Related to Education Process)

## 3 METHODOLOGY

### 3.1 Method

In this study there are 2 independent variables and 1 dependent variable which will calculate the correlation. The first independent variable is the purpose of outbound training originating from the results of previous scientific research. The second independent variable is the purpose of outbound training which was explored from the results of a focused group discussion from MMT-ITS internal board of management. The dependent variable is the organization's mission which depends on the 2 independent variables above. So that there are a total of 3 variables that will measure the level of correlation and develop a research framework as shown in Figure 1.

Thus, two hypotheses were developed based on the research framework as follows:

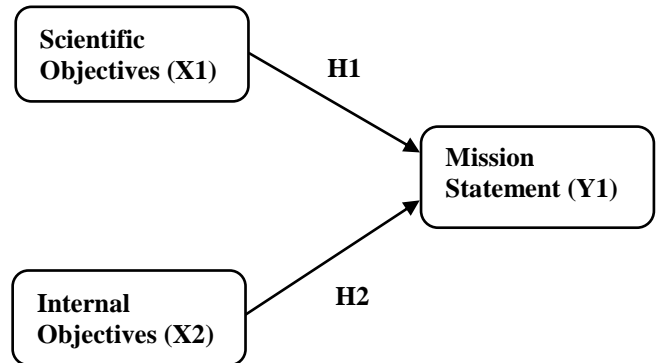
**Hypothesis 1: The objectives of Outbound training scientifically positively impact the Mission Statement of Education in MMT-ITS**

**Hypothesis 2: The objectives of Outbound training internally MMT-ITS positively impact the Mission Statement of Education in MMT-ITS**

Where variables and indicators of the research framework shown in table 1.

**Table 1. Variables & Indicators**

Variables	Indicators
Scientific (X1)	Effective Communication (X1.1)
	Team Building (X1.2)
	Problem Solving (X1.3)
	Self-confidence (X1.4)
	Leadership (X1.5)
	Synergy (X1.6)
	Fun games (X1.7)
	Concentration (X1.8)
	Fairness (X1.9)
	Internal (X2)
Campus Proud (X2.2)	
Equality (X2.3)	
Public Speaking Skill (X2.4)	
Debate Skill (X2.5)	
Mission (Y1)	Curriculum (Y1)
	Alumni Quality (Y2)
	Alumni Commitment (Y3)
	Education Process (Y4)



**Figure 1. Research Framework**

### 3.2 Data Source

The outbound training program at MMT-ITS is a program intended for new students when entering the lecture program. So that empirical data can be obtained by using questionnaires that are shared and answered (survey method) to students who have participated in outbound training programs at MMT-ITS. The survey was conducted from March to April 2017. A total of 160 questionnaires were distributed and 102 questionnaires were returned and filled in perfectly. Thus 63.8% of the total questionnaire obtained data and can be processed. The data obtained are then analyzed using the Structural Equation Modeling - Generalized Structural Component Analysis (SEM-GSCA) method.

## 4 RESULT

### 4.1 Data Analysis

Reliability testing is done to see the consistency of the measured construct. SEM-GSCA method with GeSCA online software can test reliability by calculating Cronbach  $\alpha$  in each variable. The variable will be reliable when Cronbach  $\alpha$  shows a value of more than 0.7. As for testing the construct validity measured AVE (Average Variance Extracted) size is used. Variables will be said to have a precise level of accuracy as a measurement instrument if the AVE has a value of more than 0.5. Cronbach  $\alpha$  and AVE values of each variable can be seen in the following table 2:

**Table 2. Measurement Model**

Variable	Cronbach $\alpha$	Value	AVE	Value
Scientific	0.909	reliable	0.593	valid
Internal	0.876	reliable	0.671	valid
Mission	0.924	reliable	0.820	valid

Conducted an evaluation of the model fit in the data that has been taken. The Structural Goodness of Fit Model is accepted with the size of the FIT Value having a value of  $\geq 0.5$ . The FIT value of the model is 0.604 so it can be concluded that the structural models analyzed can explain the phenomena being studied [19]. The overall Goodness of Fit model can be obtained by the GFI (Goodness of Fit Index) and SRMR (Residual Root Mean Square Residual) indicators. GFI on the model that shows values of 0.980 and SRMR shows a value of 0.064. The recommended GFI value is  $> 0.9$  and the SRMR value is  $< 0.08$  [19]. So the GFI model value is  $0.980 > 0.90$  and the SRMR model value is  $0.064 < 0.08$ , so the model is considered appropriate.

The final results of Goodness of Fit tests using online software GeSCA are reported in Table 3.

**Table 3. Model Fit**

<b>FIT</b>	0.604
<b>GFI</b>	0.980
<b>SRMR</b>	0.064

## 4.2 Latent Variable Analysis

### 4.2.1 Variable Scientific Objective

There are 9 indicators that affect the value of scientific objective variables. Seeing from the results of the measurement of the estimated heavy contribution of each indicator, the indicator of Effective Communication (X.1.1) and Leadership indicators (X.1.5) is the highest value among the others with a value of 0.174. However, if viewed from each of the other indicators, the Concentration indicator (X.1.7) has the lowest weighted estimate value (0.107) which only has a difference of 0.057 from the largest weighted indicator. Thus this shows that the indicators of Effective Communication and Leadership cannot be the most capable indicator of describing the Scientific Objective variable because it has an insignificant estimation of weights with other indicators.

The result of GeSCA measurement of Scientific Objective variable shown in Table 4:

**Table 4. Scientific Variables Measurement**

Variable	Loading			Weight			SMC		
	Estimate	SE	CR	Estimate	SE	CR	Estimate	SE	CR
Scientific	AVE = 0.593, Alpha = 0.909								
X.1.1	0.835	0.043	19.64*	0.174	0.020	8.86*	0.698	0.069	10.13*
X.1.5	0.891	0.036	24.61*	0.174	0.020	8.56*	0.794	0.063	12.69*

### 4.2.2 Variable Internal Objectives

There are 5 indicators that affect the value of internal objective variables. Seeing from the results of the measurement of the estimated heavy contribution of each indicator, the indicator of Campus Proud (X.2.2) is the highest value among the others with a value of 0.291. However, if viewed from each of the other indicators, the Debate skill indicator (X.2.5)

has the lowest weighted estimate value (0.216) which only has a difference of 0.075 from the largest weighted indicator. Thus this shows that the indicators of Campus Proud cannot be the most capable indicator of describing the Internal Objective variable because it has an insignificant estimation of weights with other indicators.

The result of GeSCA measurement of Internal Objective variable shown in Table 5:

**Table 5.** Internal Variables Measurement

Variable	Loading			Weight			SMC		
	Estimate	SE	CR	Estimate	SE	CR	Estimate	SE	CR
Internal	AVE = 0.671, Alpha =0.876								
X.2.2	0.868	0.040	21.66*	0.291	0.025	11.59*	0.754	0.069	10.94*

#### 4.2.3 Variable Mission Statement

There are 4 indicators that affect the value of mission statement variables. Seeing from the results of the measurement of the estimated heavy contribution of each indicator, the indicator of Curriculum (Y.1) is the highest value among the others with a value of 0.311. However, if viewed from each of the other indicators, the Education process indicator (Y.4) has the lowest weighted estimate value (0.311) which only has a difference of 0.062 from the largest weighted indicator. Thus this shows that the indicators of Curriculum cannot be the most capable indicator of describing the Mission Statement variable because it has an insignificant estimation of weights with other indicators.

The result of GeSCA measurement of Mission Statement Variables shown in Table 6:

**Table 6.** Mission Statement Variable Measurement

Variable	Loading			Weight			SMC		
	Estimate	SE	CR	Estimate	SE	CR	Estimate	SE	CR
Mission	AVE = 0.820, Alpha =0.924								
Y.1	0.925	0.024	37.85*	0.311	0.023	13.8*	0.856	0.045	19.11*

#### 4.3 Relationship Model Testing & Discussion

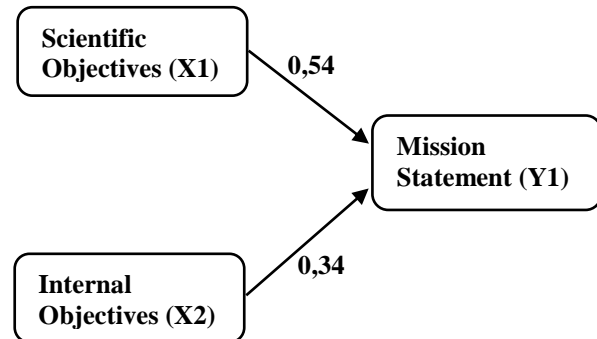
The relationship between variables described in the research framework can be clarified by the path coefficients between variable. Relationships are considered positive and significant with a confidence level of 95% when the value of CR > 1.96. The Scientific Objectives Variable with a Mission Statement has a value of CR=4.36. Thus the Scientific Objectives with Mission Statement has a positive relationship so that the outbound objectives scientifically prove to have an effect on the achievement of the Organization Mission Statement. So that hypothesis 1 can be acceptable. Internal Objectives Variables with Mission Statements have a value of CR= 2.96. Thus the Internal Variables Objective with Mission Statement has a positive relationship so that the outbound objectives scientifically prove to have an influence on the achievement of the Organization Mission Statement. So hypothesis 2 can be accepted. As for looking at the coefficients of each relationship between existing variables, the Scientific Objectives variable has an estimated path value of 0.549 which is higher than the estimated value of the Internal Objectives variable of 0.342. So that Scientific Objectives variable is quantitatively more influential in increasing Mission Statement than Internal Objectives variable.

The result of GeSCA measurement of Path coefficients shown in Table 7 and Path analysis results from GeSCA shown in figure 2:

**Table 7.** Path coefficients

Path Coefficients	Estimate	SE	CR
Scientific->Mission	0.549	0.126	4.36*
Internal-> Mission	0.342	0.116	2.96*

CR\* = significant at .05 level



**Fig 2.** Path Analysis Result

#### 4.4 Management Implication

Some management implications related to outbound training activities in organizational missions statement include:

1. Sometimes, the board of management requires several indicators on certain variables that can truly be felt by the outbound participants as a form of management actualization. To be able to increase the impact of a particular indicator on each variable can be done by sharpening certain values on the technical concept of outbound training activities. So that in the process of outbound training activities, the values attached to the indicator will appear.
2. The Internal Objectives in the case in MMT-ITS is considered to have had less impact on achieving the Organizational Mission. Some possible treatments can be carried out by the board of management in order to raise the impact of internal objectives including:
  - Evaluate material content from internal objectives that are tailored to the technical concepts of outbound training activities. Material that is deemed less able to be conveyed through the concept of outbound training can be deleted. On the other hand, other material that needs to be conveyed and matches the method of outbound training can be added.
  - Increase the content of the value material from internal objectives into the process of outbound training activities to get further attention from outbound training participants. The material that has been present and felt to be lacking when the process of outbound training activities can be deepened in the process of outbound training activities.

## 4 CONCLUSION

This paper tries to reveal the relationship between a management activity in the form of outbound training and the organization's mission statement. In outbound training activities, there are two objectives for outbound training activities, namely scientific objectives and internal objectives. In the case of MMT-IS empirically, the scientific objectives and internal objectives of the organization have an impact on achieving the organization's mission.



In this paper it is also found that there is no dominant factor among indicators that exist in the objectives of outbound activities (both in scientific objectives and internal objectives) in achieving the organization's mission statement. Thus, every indicator in a variable has almost the same level of contribution to the variable.

As management implication, formulation of the deeper concept outbound training activities is needed in order to obtain high impact, especially on internal objectives. The more capable the concept of outbound training activities is formulated properly, the higher the achievement of an organization mission statement occurs.

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