

# The Effect of Technical and Interpersonal Competencies on Medical Representative Performance on PT XYZ Jakarta

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## Abstract

This Research aims to analyze the effect of Technical and Interpersonal competencies on Medical Representative (MR) performance of PT XYZ Jakarta on 2016. This research used a quantitative approach through survey to the 60 respondents. Sampling method was simple random sampling. Test results showed the hypothesis partially technical competencies has positive and significant effect on MR performance with medium level of correlation, Interpersonal competencies has effect on MR performance but not significant with low level of correlation. Combination of Technical and interpersonal competencies have positive and significant effect on MR performance with strong level of correlation. In summary all independent variables have effect on MR performance, but only technical competency and the combination between technical and interpersonal competencies have positive and significant effect.

**Keywords:** Interpersonal Competencies, Medical Representative, Technical Competencies

## I. Introduction

### 1.1. Background

The globalization era and the implementation of the ASEAN Economic Community (AEC), making the competition between companies is getting tougher, it forces each company to always find a surefire strategies in order to survive, and improve company performance. Determination of the company's strategy is preceded by scanning the external and internal problems, to identify external factors affecting the company, and identified strengths, weaknesses, opportunities and barriers in the internal company. One of the strategies of many existing strategies that can improve the company's performance is the management of sales (Ferdinand, 2006). Good sales management, including resource management related to sales force, where the sales force is the spearhead of sales activities. Management of good financial management will result in increased corporate sales volume that can increase the company value .

According to Roman (2002) statement that sales force as salesforce in communicating between product and consumer. Salesforce have an important role to bridge the relationship between the company and the customer. Salesforce are expected to communicate well, recognize and convey the value of the products offered. Able to use various relational approaches in dealing with customers. In addition, able to adjust to situational changes that occur in the market, so successfully realize the goal, which is to achieve sales targets that have been planned that will ultimately increase the company's value.

Pharmaceutical companies in delivering product value to consumers using Medical Representative (MR). Medical Representative is a corporate ambassador or someone who is trusted to represent a company to promote products in a professional, credible, and integrity. A MR in doing his job, should be able to explain the ins and outs of products offered in detail to the customer. MR should also ensure that all of the physicians who are responsible can get up-to-date information on medicines, medicines, medical techniques, and medical devices that can support the doctor's expertise.

One of MR's primary duties is to make regular visits to the doctor. Each doctor is visited with varying frequency according to its potential or classification. for example class A doctor will be visited 4 times a month, class B doctor visited 2 times a month, and doctor class C visited 1 times a month. By conducting such regular visits, products promoted by MR will be prioritized by physicians in treating their patients. For the company this is an increase in the company's sales volume. While on the MR side it is related to the sales target. If MR sales targets increase then incentives also increase.

In October 2013, the company made major changes by implementing business processes that follow the Compliance rules relating to medical service providers, such as Doctors. While other changes only focus on marketing and development of health products made from natural (non-synthetic). these two decisions make the promotion process undertaken by MR PT X should be based on the doctor's acceptance of the benefits of the product. Because by applying the principle of Compliance, MR is not allowed to offer incentives to doctors who prescribe their products. So a doctor's prescription must be based on his knowledge and his beliefs about the benefits of the product. This is determined by the knowledge of MR knowledge of the products it sells. In addition, because the products are marketed herbal products then it takes a lot of research that must be submitted to convince the medical community who are used to using synthetic treatment. The MR who works now mostly has worked with PT X since before this change, then the doctor should be given a complete explanation about the benefits of the product to be able to use Soho products according to the needs of the patient. This fact can not be changed fast because the data shows that the sales of PT X since 2015 have not succeeded in meeting the

targets set by the company.

### 1.2. Problem Formulation

Problem formulation of this research are: (1) How is the effect of MR Technical Competence on MR performance; (2) How is the effect of MR interpersonal competence on MR Performance; (3) How is the effect of technical and interpersonal competence simultaneously on MR Performance.

### 1.3. Research purposes

This research purpose are: (1) To know the effect of MR Technical Competence on MR Performance PT X Jakarta; (2) To know the effect of interpersonal competence on MR Performance PT. X, Jakarta; (3) To know the effect of technical and interpersonal competence simultaneously to MR Performance.

## II. Research Method

### 2.1. Design and research framework

This researcher uses descriptive and quantitative methods, that is by describing the state of the object of research at the time of the research conducted. This study examines the relationship of three variables, namely Technical Competence (X1) with 2 dimensions, Interpersonal Competence (X2) with 2 dimensions, and the performance of Medical Representative PT X (Y) with 3 dimensions, where previous research indicates that there is significant effect between employee competence with MR performance. Performance is measured by the achievement of sales compared to the target and assessment of the work process

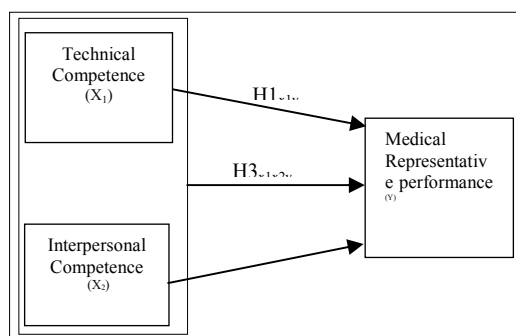


Figure 1. Research Framework

This study uses two independent variables and 1 (one) dependent variable: (1) MR Performance (Y), a work performance or work result both in quality and quantity achieved by MR in a (2) Technical competence (X1), which is a description of what MR must know or do in order to carry out its work properly The notion of competence of this type is known as technical or functional competence or can be also called hard skill / hard competency The concentration of technical competence is on the job, that is, to describe the responsibilities, challenges and job goals that must be done or achieved by the holder of office in order to perform well.

(3) Interpersonal competence (X2), which describes how MR is expected to behave in order to carry out its work well. Understanding this type of competence is better known by the name of behavioral competence or can be called also with soft skills.

### 2.2. Population and sample

The population in this research is employees with assignment as MR at PT Soho Global Health totaling 90 people. Samples taken for the main test are 60 MR from PT X Jakarta and take samples for pre test of 30 people.

### 2.3. Hypothesis

Hypothesis used in this research are: (1) Suspected there is positive effect and significant MR technical competence on MR Performance PT X Jakarta; (2) Suspected there is positive effect and significant interpersonal competence on MR Performance PT. X; (3) Suspected there is a positive and significant effect of technical and interpersonal competence simultaneously on MR Performance. The hypothesis of the above research is reflected in the statistical hypothesis as follows: (1) Ho: there is no positive and significant effect from Technical Competence on Performance MR, H1: there is Positive and significant effect of technical Competence on MR Performance; (2) Ho: there is no positive and significant effect Interpersonal competitiveness on Performance MR, H1: there is Positive and significant effect of interpersonal competence on MR Performance; (3) Ho: there is no positive and significant effect on technical competence and interpersonal competence simultaneously with MR performance; H1: there is a positive and significant effect of the Technical and Interpersonal Competencies simultaneously on the MR performance PT. X.

In this study the authors use multiple linear regression analysis to determine the effect of more than one independent variable to the dependent variable. Data processing using SPSS (statistical Package for Social Sciences).

### III. Discussion

#### 3.1. Respondent Characteristics

Based on the results of research conducted on 60 respondents as the main test, namely the MR of PT X. Jakarta, it can be known MR profile based on (1) Gender; (2) Age; (3) Educational background; (4) Work experience at PT. X. Jakarta.

Table 1. Respondent Characteristics

| category       | Information   | Total     | Frekuensi |             |
|----------------|---------------|-----------|-----------|-------------|
|                |               |           |           | %           |
| Gender         | male          | 42        |           | 70 %        |
|                | female        | 18        |           | 30 %        |
| <b>Total</b>   |               | <b>60</b> |           | <b>100%</b> |
| Age            | 17 - 23 years | 4         |           | 7%          |
|                | 24 - 30 years | 26        |           | 43%         |
|                | 31 - 40 years | 28        |           | 47%         |
|                | > 40 years    | 2         |           | 3%          |
| <b>Total</b>   |               | <b>60</b> |           | <b>100%</b> |
| Education      | SMU           | 20        |           | 33%         |
|                | D3            | 16        |           | 27%         |
|                | S1            | 24        |           | 40%         |
| <b>Total</b>   |               | <b>60</b> |           | <b>100%</b> |
| work experince | 0 - 1 years   | 23        |           | 38%         |
|                | 2 - 5 years   | 13        |           | 22%         |
|                | > 5 years     | 24        |           | 40%         |
| <b>Total</b>   |               | <b>60</b> |           | <b>100%</b> |

Based on the results of research for Gender, respondents of this study the majority or 42 respondents (70%) male sex. While the rest, and 18 employees (30%) are female employees. The several age categories, most (47%) are employees at the age of 31-40 years, in terms of the most educational background is S1 by 40% and from the side of work experience with the most work experience > 5 years is 40%.

#### 3.2. Discussion

Overall, the results of this study indicate that: (1) There is positive and significant effect between technical competence and MR Performance, (2) There is positive but not significant effect between interpersonal competence and MR Performance, (3) There is positive and significant effect between technical competence and interpersonal competence simultaneously on MR Performance.

The relationship between the independent variable and the dependent variable in the functional form, the Performance variable is the result of the working of the technical competency and interpersonal competence variables.

#### Technical competence associate on MR performance

The result of hypothesis testing shows that there is a significant positive correlation between technical competence and MR performance. From the SPSS data, it can be seen that the Pearson correlation is = 0.470, since p value = 0.000 is smaller than  $\alpha = 0.05$ , then H1 is accepted. Conclusion There is a relation of technical competence with MR performance partially, both have "Medium" relationship level. Due to the significant value of the variable technical competence of 0.000, and the value is below 0.05, it can be said to be significant. T test using t test is, table value of t at alpha 0.05 (two tail)  $df = n-2 = 60-2 = 58$  is 2,001. while the value of t arithmetic in the above table amounted to  $t_{test} = 7.787$ . Means  $t_{arithmetic} > t_{table}$  then H1 accepted and Ho not accepted, thereby showing technical Competence have a significant effect on Performance MR.

Technical competence gives a big effect on MR performance, where with unique product owned by PT X., requires MR ability to master product knowledge and selling technique, that is, the higher level of technical competence of MR, hence the higher level of MR performance.

The findings and theories are supported by relevant research results, ie research results from Halil Zaim, Mehmet Fatih Yaşar, Ömer Faruk Ünal which mentions a positive and significant effect between technical competence and MR performance.

### **Interpersonal competence associate on MR performance**

From the SPSS data it is seen that the pearson correlation is = -0.260, because p value = 0.023 is smaller than  $\alpha = 0.05$ , then H1 is accepted. It can be concluded that there is an interpersonal relationship with MR performance partially, where both have "Low" relationship level.

The strength of the relationship between Interpersonal competence variables and individual performance is seen Significance value of 0.327, because values above 0.05 can be said to be not significant. T test using t test is, table value of t at alpha 0.05 (two tail)  $df = n-2 = 60-2 = 58$  is 2,001. while t arithmetic value in the above table amounted to t test = 0.989. Means  $t_{cal} < t_{table}$  then H1 not accepted and Ho accepted, thus indicating Interpersonal competence has no significant effect on MR Performance.

Although insignificant interpersonal competence which includes culture of discipline and innovation contributes to the improvement of MR performance. The higher the level of interpersonal competence will be the higher level of MR performance.

The theoretical findings may be caused by the company engaged in pharmacy (ethical) where a lot of regulations that limit the marketing innovation so that the increase of innovation has effect but not significant to the MR performance.

### **Correlation between technical competence and interpersonal competence simultaneously to the MR performance**

The result of hypothesis testing shows that there is a very significant positive correlation between personality and work motivation together with MR performance. Based on the calculation of multiple linier regression analysis between technical competence, interpersonal competence on MR performance., Obtained regression equation that is  $Y = 2.396 + 0,194X_1 + 0,055X_2$ . From the regression equation formed above can be explained the interpretation as follows: (1)  $\beta_0$  (constant) = 2.396, meaning that the variable value of MR Performance (Y) is 2,396 if technical competence variable (X1) and Interpersonal variable (X2) does not exist or equal with zero; (2)  $\beta_1 = 0,194$ , meaning that if technical competence variable (X1) is increased and Interpersonal variable (X2) is fixed then MR Performance (Y) will increase by 0.194; (3)  $\beta_2 = 0,055$ , meaning that if Interpersonal competence variable (X2) is increased and Technical Competence variable X1 is fixed then MR performance variable (Y) will increase by 0,055.

F test results to determine the effect of technical competence and interpersonal competence on MR performance simultaneously. Sig value. of 0,000 indicates for an alpha significance level of 0.05 two tailed must be significant. While for testing with F test is by comparing between Ftable value with F count. The Fcount of 46.251, F table is 3.160 (see Table F), thus the result F count (46.251) > F table (3.160) then Ho not accepted and H1 accepted. It can be concluded that the technical and interpersonal competencies simultaneously affect the MR Performance.

Based on R value or the correlation of the independent variables of technical competence (X1) and Interpersonal (X2) collectively to the dependent variable Performance (Y) is 0.787 with the level of relationship "Strong".

R square or determinant coefficient of 0.619 or 61.9%, shows that the performance of MR., effected by both independent variables used in this study (is Technical Competence (X1) and Interpersonal (X2) is 61.9%, and there is still effect from another factor is 38.1% of other factors.

Technical competence and interpersonal competence have significant effect to improve MR performance where technical competence covering product knowledge and sales technique have moderate correlation with MR Performance and although interpersonal competence has only low correlation with MR performance but if done simultaneously both variable this results in a strong correlation, whereby these two variables have an effect of 61.9% indicating that if the company can ensure that all MRs can have good technical and interpersonal competencies it will greatly support them to perform better.

### **IV. Conclusion**

The conclusions obtained based on data analysis are as follows:

- Technical competence has a positive and significant effect on the improvement of individual performance of MR. PT. X., Jakarta with "moderate" relationship level. Thus shows the technical Competence has a significant effect on Individual Performance. Technical technical competencies of MR include Product knowledge and sales techniques. Interpersonal competence has effect but not significant to MR performance improvement. PT. X Jakarta, the level of influence "Low". Thus indicating Interpersonal competence has no significant effect on MR Performance. Interpersonal competence includes the culture of discipline in running corporate procedures, reporting the results of visits, reporting the results of marketing activities.
- Technical and Interpersonal competencies together have a positive and significant effect on MR performance., PT. X., with a "Strong" relationship level. Therefore, the need for attention to the Management of PT. X., Due to MR technical competence, Has a significant effect on MR performance PT X., Jakarta,

where if the company wishes to improve the individual performance of MR then the company must increase and / or maintain MR technical competence by conducting ongoing training and on field coaching on Product Knowledge and Sales skill from MR which must be continuously sharpened and developed.

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