

The Effect of Incentives and Work Discipline on Employee Performance at PT Adhiguna Putera Padang Branch

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Abstract

Optimal employee performance is needed to achieve the goals of a company. This study aims to determine the effect of incentives on employee performance and the effect of work discipline on employee performance at PT Adhiguna Putera Padang Branch, sampling method using total sampling technique, where the entire population was sampled, as many as 46 people. Hypothesis testing in this study uses multiple linear regression to determine the extent of incentives and work Discipline on employee performance. The results of this study indicate that: Incentives have a positive and significant effect on employee performance, and work discipline has a positive and significant effect on employee performance.

Keywords

employee performance;
incentives; work discipline



I. Introduction

Generally, the resources contained in an organization are divided into two types: human resources and non-human resources. One of the resources that affect employee performance is the provision of incentives. Harsono (2004) Incentive is any compensation where the amount is given depending on the results achieved, which means offering something incentive to the worker to achieve good results. The provision of incentives reflects the efforts of an enterprise to maintain the human resources owned by the company.

The company is a form of formal organization. It is a forum where the cooperation system is carried out in various activities to achieve the expected goals and objectives of the organization. One of the fundamental needs of employees to meet by the company is the need for appreciation for the achievements it has achieved.

In addition to incentives, work discipline also affects employee performance (Rivai, 2013). Work discipline is a tool used by managers to communicate with employees so that they are ready to change their behavior and increase awareness and willingness to comply with all applicable social rules and norms in a company.

The author researched a company engaged in loading and unloading services at the port, namely PT Adhiguna Putera Padang Branch, which related to the influence of incentives and work discipline on employee performance.

At PT. Adhiguna Putera Padang Branch, the provision of incentives is carried out two times a year by referring to the individual performance values determined every semester by the company leadership. The assessment carried out by the company's leadership is based on ten aspects of supervision, namely ASpec Discipline, Attitude Aspects, Cooperation Aspects, Neatness, and Hygiene Aspects, Aspects Dedication and Loyalty, Competency Aspects, Initiative Aspects, Work Quantity Aspects, Work Quality Aspects, and Leadership Aspects.

Based on the background above, the purpose of this research is as follows. 1) To determine the effect of incentives on employee performance at PT. Adhiguna Putera Padang Branch. 2) To determine work discipline's effect on employee performance at PT. Adhiguna Putera Padang Branch.

II. Review of Literature

2.1 Employee Performance

(Mangkunegara, 2015) argues that employee performance is the result of a person's work in quality and quantity that employees have achieved in carrying out their duties according to their given responsibilities. Performance can be influenced by various factors, both internal factors and environmental factors directly or indirectly. According to Ivancevich, Konopaske and Matteson (Busro in Edward, 2020) that performance shows the ability and skills of workers. Performance is a person's success in carrying out tasks, work results that can be achieved by a person or group of people in an organization in accordance with their respective authorities and responsibilities (Wulandari, 2021). According to Yani in Syardiansyah (2020) performance is a result of work achieved by a person in carrying out the tasks assigned to him based on skill, experience and sincerity as well as time. This means that in work contains elements of the standard that achievement must be met, so, for those who reach the standards set means good performance (Wahjudewanti, 2021). Employee performance is essential because, with this performance, the company will know how far the ability of employees or employees is in carrying out the tasks assigned to them. Therefore, it is necessary to determine clear and measurable criteria and mutually agree upon which will be used as a reference. Performance is the willingness of a person or group of people to carry out activities or improve the expected results following their responsibilities.

2.2 Incentive

According to Hasibuan (2016), Incentives are additional remuneration for certain employees whose performance is above standard performance. Incentives are direct rewards paid to employees for their performance exceeding established standards. Meanwhile, Panggabean (2010) stated that "Incentives are direct rewards paid to employees because achievements exceed the specified standards. Assuming that money can encourage employees to work harder, those who are productive prefer the payment of salaries based on labor results.

Therefore, in the opinion of previous experts, it can be concluded that incentives are an impetus for a person to want to work well and to be able to achieve a higher level of performance to increase the willingness and motivation of expert employees to excel, producing quality performance following the goals of the company.

2.3 Work Discipline

According to Hasibuan (2016), Discipline is the most critical operational function of the HR department because the better the employee discipline, the higher the work performance achieved. Without good Discipline, it is difficult for an organization or company to achieve optimal results. Menurut Sutrisno (2014), Discipline means compliance with the rules and regulations of the company that employees have voluntarily made them adapt to the rules and regulations company. In a narrow and more widely used sense, Discipline means actions taken with a disregard to correct the wrong behavior and attitudes in the employee's interim.

2.4 Development Hypothesis

a. The Effect of Incentives on Employee Performance

According to (Noor, 2014), incentives provide employee morale; the size of the incentive will affect employee performance because the needs of each employee are different; if the incentives given are satisfactory for employees, then employees will pursue and improve their performance in the company.

The research conducted by (Ratna Yulia Wijayanti, 2015) was entitled The Effect of Discipline and Incentives on Employee Performance in PO. Holy Archipelago. The results showed that the incentive had a positive and significant effect on the performance of employees in the PO. Holy Archipelago.

H1: It is suspected that incentives positively and significantly affect employee performance at PT Adhiguna Putera Padang Branch.

b. The Effect of Work Discipline on Employee Performance

Good conditions of work discipline have a positive impact on employee performance. If the work discipline is good, the employee's performance will increase. Previous research (Moch. Reza Adhiansyah, 2015) entitled The Effect of Incentives and Work Discipline on the Performance of PO Employees. BM Jaya Trans Kab. Bandung. This research showed that work discipline significantly positively affects employee performance in PO. BM Jaya Trans Kab. Bandung.

The research conducted by (Sigid Kurniawan, 2016) entitled The Effect of Financial Incentives and Work Discipline on the Performance of Employees in the CV Production Section. Lezatku Food Pringsewu Lampung. The results showed that work discipline has a positive and significant effect on the performance of employees in the CV production department. Lezatku Food Pringsewu Lampung.

H2: It is suspected that work discipline has a positive and significant effect on the performance of employees at PT Adhiguna Putera Padang Branch.

III. Research Method

The type of research carried out is quantitative research. The type of quantitative research is a research method where data is in the form of numbers and analysis using statistics (Sugiyono, 2017). In This study's population were, all PT Adhi Guna Putera Padang Branch employees totaling 46 people. The method used for sampling is total sampling, a sampling technique where the entire population is sampled. In this study, the answers to closed questions will be measured using a Likert scale, which measures a person's attitudes, opinions, and thoughts about social phenomena (*Quantitative & Qualitative Research Methods, n.d.*). In this study, there are two variables: variable Y Employee Performance, variable X₁ Incentive, and variable X₂ Work Discipline.

3.1 Variable Operational Definition

Table 2. Variable Operational Definition

No	Variable	Definition	Indicator	Source
1	Incentive (x1)	Incentives are an encouragement for someone to want to work well and to be able to achieve a higher level of performance to increase the willingness and motivation of expert employees to excel and produce quality performance following the company's goals.	1. Length of work 2. Seniority 3. Necessity 4. Justice and qualifications 5. Job evaluation.	(Rivai, 2014)
2	Discipline (x2)	Discipline is a condition created and formed through a series of behaviors that show the values of obedience, loyalty, and order.	1. Obey the rules of time. 2. Comply with company regulations. 3. Adherence to the rules of behavior in work. 4. Obey other regulations.	(Sutrisno 2011)
3	Employee Performance (Y)	Performance is the willingness of a person or group of people to carry out activities or improve the expected results.	1. Quality. 2. Quantity 3. Punctuality 4. Effectiveness 5. Independence 6. Work commitment	(Robbins, 2006)

3.2 Data Analysis Techniques

The first test uses a data quality test, which includes validity and reliability. Then it uses a classic assumption test. Next, test the hypothesis with multiple linear regression with the help of the SPSS Version 23 program by proving the relationship of the variables X and Y (Ghozali, 2011).

IV. Results and Discussion

4.1 Results

a. Test Research Instruments

1. Validity Test

Validity tests are used to measure the validity or validity of a questionnaire. A questionnaire is notarized valid if the question on the questionnaire can have a *Corrected Item Total Correlation* value above ≥ 0.300 . Data processing using the help of SPSS version 23. The following are the results of the validity test using SPSS version 23:

Table 1. Incentive Validity Test Results

Variable	Statement	Corrected Item- Total Correlation	Rule of Thumb	Information
Incentive (X ₁)	I1	0,816	0,300	Valid
	I2	0,694	0,300	Valid
	I3	0,797	0,300	Valid
	I4	0,772	0,300	Valid
	I5	0,710	0,300	Valid
	I6	0,689	0,300	Valid
	I7	0,469	0,300	Valid
	I8	0,558	0,300	Valid
	I9	0,436	0,300	Valid
	I10	0,651	0,300	Valid

Based on the results of the incentive validity test above, it is known that all statement items used are declared valid because *the value of corrected items-total correlation* is greater than the critical value of 0.300.

Table 2. Work Discipline Validity Test Results

Variable	Statement	Corrected Item- Total Correlation	Rule of Thumb	Information
Discipline Work (X ₂)	DK1	0,493	0,300	Valid
	DK2	0,770	0,300	Valid
	DK3	0,688	0,300	Valid
	DK4	0,766	0,300	Valid
	DK5	0,679	0,300	Valid
	DK6	0,759	0,300	Valid
	DK7	0,660	0,300	Valid
	DK8	0,617	0,300	Valid

Based on the results of the work discipline validity test above, it is known that all statement items used are declared valid because *the value of the corrected item-total correlation* is greater than the critical value of 0.300.

Table 3. Performance Validity Test Results

Variable	Statement	Corrected Item- Total Correlation	Rule of Thumb	Information
Employee Performance (AND)	K1	0,715	0,300	Valid
	K2	0,469	0,300	Valid
	K3	0,770	0,300	Valid
	K4	0,656	0,300	Valid
	K5	0,539	0,300	Valid
	K6	0,545	0,300	Valid
	K7	0,810	0,300	Valid
	K8	0,632	0,300	Valid
	K9	0,684	0,300	Valid

K10	0,724	0,300	Valid
K11	0,725	0,300	Valid
K12	0,743	0,300	Valid

Based on the results of the performance validity test above, it is known that all statement items used are declared valid because the value of *the corrected item-total correlation* is greater than the critical value of 0.300.

2. Reliability Test

Reliability tests point to an understanding that the instrument is trustworthy enough to be used as a data collection tool because the instrument is good.

Table 4. Reliability Test Results

Variable	Cronbach's Alpha	Rule of Thumb	Information
Incentives (X ₁)	0,849	0,600	Reliable
Work Discipline (X ₂)	0,834	0,600	Reliable
Employee Performance (Y)	0,889	0,600	Reliable

Source: Spss 23 Processed Data in 2021

From Table 4, it can be concluded that from the resulting reliability test, *the Cronbach's Alpha* value for incentive variables (X₁), work discipline (X₂), and employee performance (Y) is declared reliable because the value of *Cronbach's Alpha* which resulted in more than 0.60 so that the statements items are included in the reliable category and these variables can be used as measuring instruments in this study.

b. Test of Classical Assumptions

1. Normality Test

The normality test measures the research data carried out in normal distribution. Therefore, the basis for concluding this test using the *Kolmogorov-Smirnov* test is greater than the value of $\alpha = 0.05$.

Table 5. Normality Test Results

Variable	Asymp. Sig. (2-tailed)	Information
Incentives (X ₁)	0,200	Normal Distributed Data
Work Discipline (X ₂)	0,200	Normal Distributed Data

Source: Spss 23 Processed Data in 2021

Table 5 above reflects the *Kolmogorov-Smirnov one sample* test results from the data above the *Asymp value. Sig. (2-tailed)* respectively by 0.984 and 0.688, which means greater than 0.05, and it is concluded that the data tested have been normally distributed.

2. Multicollinearity Test

The multicollinearity test aims at whether or not there is a correlation between independent variables in the regression model to show the absence of multicollinearity problems if *the tolerance* value > 0.10 and the VIF value < 10 .

Table 6. Multicollinearity Test Results

Variable	Tolerance	Bright	Information
Incentives (X ₁)	0,760	1,316	No Multicholinerity Occurs
Work Discipline (X ₂)	0,760	1,316	No Multicholinerity Occurs

Source: Spss 23 Processed Data in 2021

Based on the results of the multicollinearity test above, it can be seen that *the tolerance value* for each variable is close to the number 1. *In contrast, each variable's Variance Inflation Factor (VIF) value* is smaller than 10. Thus, it can be concluded that the model used in this study did not occur multicollinearity problems.

3. Heteroskedasticity Test

This test tests whether the regression model occurs inequality of *variance* from the residual of one observation to another. To detect the presence or absence, heteroskedasticity can use a *glejser* test with a significance greater than 0.05, and it can be said that there is no heteroskedasticity *problem*.

Table 7. Heteroskedasticity Test Results

Variable	Itself.	Information
Incentives (X ₁)	0,892	No Heteroskedasticity Occurs
Work Discipline (X ₂)	0,151	No Heteroskedasticity Occurs

Source: Spss 23 Processed Data in 2021

The heteroskedasticity test results show that the significant indigo variable incentives and work discipline have a significant value of > 0.05 ; this means that there are no symptoms of heteroscedasticity.

c. Multiple Linear Regression Analysis

In this study, data analysis techniques were carried out using multiple linear regression analysis techniques to process and discuss the data that has been obtained and to test the hypotheses proposed.

Table 8. Multiple Linear Regression Test Results

Bound Variables	Constants And Free Variables	Regression Coefficient
Employee Performance (Y)	Constant (a)	0,813
	Incentives (X ₁)	0,375
	Discipline Kerja (X ₂)	0,989

Source: Spss 23 Processed Data in 2021

$$Y = a + b_1X_1 + b_2X_2$$

$$Y = 0.813 + 0.375 x_1 + 0.989x_2$$

d. Hypothesis Test

To determine the effect of incentives and Discipline on employee performance, a hypothesis was carried out through a t-test using a significant level of 5% ($\alpha = 0.05$) with the following results:

Table 9. Hypothesis Test Results

Variable	Itself.	T Calculate	T Table	Information
Incentives (X_1)	0,000	3,945	2,015	H ₁ Accepted
Work Discipline (X_2)	0,000	8,794	2,015	H ₂ Accepted

Source: Spss 23 Processed Data in 2021

The results of the partial test above can be interpreted as follows:

1. First, the partial result for the incentive obtained a significance value of 0.000, meaning that the value is smaller than 0.05 and t counts $3.945 > t$ table 2.015. Then the first hypothesis is accepted, which means that the incentive positively and significantly influences employee performance at PT Adhi Guna Putera Padang Branch.
2. Partial results for work discipline obtained a significance value of 0.000, meaning that the value is smaller than 0.05 and t count $8.794 > t$ table 2.015. Then the second hypothesis is accepted, which means that work discipline has a positive and significant influence on employee performance at PT Adhi Guna Putera Padang Branch.

4.2 Discussion

a. Effect of Incentive Variables on Employee Employment

From the hypothesis test analysis results at the confidence level $\alpha = 5\%$, it is proven that the incentive variable (X_1) has a positive and significant effect on employee performance at PT Adhiguna Putera Padangnilai Branch count of 3.945. In contrast, if the significant value < 0.05 , then H₁ is accepted.

Based on the study results, it can be concluded that incentives have positively and significantly influenced the performance of employees at PT Adhiguna Putera Padang Branch. This is in line with research (Noor, 2014), The Effect of Incentives and Work Discipline on Employee Performance at PT Ben Lines Agencies (BLA), which shows that the provision of incentives has a significant effect between incentive variables and employee performance.

b. Effect of Work Discipline Variables on Employee Performance

From the hypothesis test analysis results at the level of trust $\alpha = 5\%$, it is proven that the work discipline variable (X_2) has a positive and significant effect on employee performance at PT Adhiguna Putera Padang Branch with a calculated t value of 8.794. In contrast, if a significant value of < 0.05 , then H₂ is received.

Based on these results, it can be concluded that the performance of employees at PT Adhiguna Putera Padang Branch has increased due to work discipline. This is in line with research conducted by (Adhiansyah, 2015), who conducted a study entitled the effect of incentives and work discipline on the performance of PO employees. BM Jaya Trans Kab. Bandung. Research reveals that work discipline varies positively and significantly affects work performance.

V. Conclusion

In the results of the research that has been carried out, the conclusions in the study are:

1. Incentives (X_1) positively and significantly affect employee performance at PT Adhi Guna Putera Padang Branch. Then the conclusion is the first hypothesis accepted.

2. Work discipline (X_2) positively and significantly affects employee performance at PT Adhi Guna Putera Padang Branch. Then the conclusion is that the second hypothesis is accepted.

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