



# The Influence of Employee Discipline and Competency on Employee Performance at PT. Prima Indonesia Logistik in Belawan City

Maulana Hanif<sup>(✉)</sup>, Meilita Tryana Sembiring<sup>id</sup>,  
and Beby Karina Fawzee Sembiring<sup>id</sup>

Master of Management, Universitas Sumatera Utara, Medan, Indonesia  
maulanahani32@gmail.com

**Abstract.** This research focused on determining and analyzing the influence of Employee Discipline, Competency on Employee's Performance at PT. Prima Indonesia Logistik in Belawan City. As one of the subsidiaries of PT Pelindo (persero), a Stated-owned Company (BUMN), which is engaged in logistics services operating in Belawan, PT Prima Indonesia Logistik is required to achieve profit for the company. The population in this research were all employees at PT Prima Indonesia Logistik. The sampling technique used was the census or saturated sampling method, with a total sample of 62 employees. The research Instrument used a questionnaire. The method used for hypothesis testing in this study is the Multiple Linear Regression method. The results showed that employee discipline positively and significantly affected employee performance at PT. Prima Indonesia Logistics of Belawan City. Competency has a positive and significant effect on employee performance at PT. Prima Indonesia Logistik of Belawan City. Employee Discipline and Competency simultaneously and significantly affect Employee Performance at PT. Prima Indonesia Logistik in Belawan City.

**Keywords:** Employee Discipline · Competency · Employee Performance

## 1 Introduction

As one of the subsidiaries of PT Pelindo (Persero), a State-Owned Enterprise (BUMN), which is engaged in logistics services operating in Belawan, PT Prima Indonesia Logistik is required to achieve the profit target that has been set. PT Prima Indonesia Logistik strives to keep running and have advantages by developing its core business, namely the provision of container depots and port loading and unloading equipment rental. Nevertheless, it is facing many obstacles. As a new company established in 2015, PT Prima Indonesia Logistik has to compete with similar companies as a provider of container depots and port loading and unloading equipment rentals. Several threats to the company include the Samudera Group company. Logistics companies that have been around for a long time and provide container depots in Belawan include PT Dwipa Kharisma Mitra and PT. Mitrareka Jaya Abadi. Improving the development of the quality of employees

can also be a threat; therefore, PT Prima Indonesia must update the quality of performance that focuses on the achievement of its human resources. The high-quality employees will certainly build high morale in the work environment and maintain the quality of their human resources. PT Prima Indonesia Logistik can run well in managing and achieving corporate profits.

However, the company's competency problem today is that several employees lack the skills, requiring them to seek help from employees who have skills. For example, if the employee does not have the expertise to operate computers, he asks his co-workers for help to complete the work assigned to him. This causes the completion of the work to be relatively longer. As a result, the work becomes overlapping. The company has been trying to provide training for employees who lack technical and non-technical skills, but employees feel the training provided was not practical, so it does not change the competencies that exist in employees. The level of employee discipline has also decreased recently, starting from the lack of discipline of employees in terms of working time, work clothes, and lack of discipline in the work rules that the company has set. One of the facts regarding this indiscipline can be seen in Table 1.

Based on Table 1, it can be seen that some employees are indisciplined in terms of working time. Some employees are still late for work in February, March, and April 2022. This shows low morale and employee disobedience in complying with predetermined

**Table 1.** Employee Attendance Data for Period February-April 2022 at the PT. Prima Indonesia Logistik

n (Employee Sample)	Month	Note			
		Late (working day)	Permitted (working day)	Sick (working day)	Day-off (working Day)
n1	February	6	-	2	5
n2		-	-	-	2
n3		-	-	3	-
n4		6	-	-	-
n5		-	-	-	-
x1	March	1	1	-	-
x2		5	-	-	-
x3		-	-	-	-
x4		7	-	-	4
x5		-	-	2	-
y1	April	6	1	-	-
y2		2	-	-	1
y3		-	1	-	2
y4		8	3	1	2
y5		7	-	-	-

working hours. Based on various experiences and observations in the company, violations of the rules that occur all the time are an undeniable phenomenon for which regulations that are made to function efficiently and effectively need to be enforced. In addition, the following is the development of the production of one of the Operational divisions of PT. Prima Indonesia Logistik in February – April 2022:

Based on Table 2 Operational Production Data and Equipment readiness from the Engineering division in the three months from February to April 2022, the production result does not meet the production target set by the company. The decline in the number of productions was also caused by several factors such as damage to equipment that was not ready by the Engineering division and the declining quality of Operational Services.

This certainly affects the income of PT. Prima Indonesia logistics from 2018 to 2020 are as follows:

**Table 2.** Operational and Technical Department Production Data for the Period of February–April 2022 in the Work Environment of PT Prima Indonesia Logistics

No	Employment Sample	Period	Equipment	Status	Production	Production Min
1	X1	February	Reach stacker	Active	329	800
2	X2		Side loader	Repaired	-	200
3	X3		Side loader	Ready	-	200
4	X4		Forklift 7 ton	Active	500	500
5	X5		Forklift 3 ton	Repaired	-	500
6	X6	March	Head truck-07	Active	80	100
7	X7		Head truck-17	Active	80	100
8	X8		Reach stacker	Active	398	800
9	X9		Reach stacker	Active	415	800
10	X10		Reach stacker	Active	209	800
11	X11		Side loader	Standby	-	200
12	X12		Side loader	Standby	-	200
13	X13		Forklift 3 ton	Repaired	-	500

Source: Recapitulation of Operational and Engineering Division of PT Prima Indonesia Logistics 2021

**Table 3.** Income Statement of PT Prima Indonesia Logistics for the last three years

Year	2018		2019		2020	
	Target	Realization	Target	Realization	Target	Realization
Revenue	103.385	81.955	216.309	71.664	137.834	121.324
Profit	42.297	22.386	75.015	10.039	54.755	50.291

Based on Table 3, it can be seen that in the last three years, Production revenue from Containers was 81,955, which occurred in 2018, and decreased to 71,664, with the highest decrease in 2019, increasing to 121,324. The development of production, in general, has increased, while the increase in production has not yet met the adjusted target. This condition occurs because of the very rapid competition in the service quality of container depots in the Belawan area, such as PT Samudra. A lack of outstanding employees also marks a decline in achievement due to the indiscipline of employees. Creative ideas from employees are rarely found, and some employees are not eager to explore the potential that exists in themselves; for example, they do not want to try to improve existing work skills. The leadership team has made efforts to upgrade employees' performance by motivating employees by giving rewards to employees with exemplary achievements. However, the application of punishment is not carried out, so less disciplined employees do not care about the rules on discipline.

### **Employee Discipline**

According to [1], "Discipline is the awareness and effort of an employee to respect all company rules and applicable social norms". Awareness is the attitude of a person who voluntarily obeys all regulations and is aware of his duties and responsibilities.

[1] also added, "Employee discipline is a person's work ability regularly, diligently continuously and work in accordance with applicable regulations without violating the regulations that have been set".

Discipline is the operative function and is primarily found in human resource management. The better the employees' discipline in a company, the higher the number of work and performance that can be achieved. Conversely, without good employee discipline, it is difficult for a company to achieve optimal goals [2].

### **Competency**

Competency is what a person brings to his job in the place of different types and levels of behavior. Competency determines the process aspects of the performance of a task. It must be distinguished from specific attributes (education, skills, and expertise) required to perform various tasks related to a job. These competencies can be universally generic and applicable to all managers regardless of their organization or their particular job. They can also be organizationally generic and applicable to all staff or focused more specifically on a particular type of job or category of employees, such as managers, professional staff scientists, or administrative staff. [3]. According to indicators of competency are:

- 1 Knowledge
- 2 Skills
- 3 Work Attitude

Companies need a solid team and strong cooperation to address global challenges. Employee competencies which consist of knowledge, abilities/skills, and attitudes (attitudes), are adjusted to the field of work required by the company to produce outstanding employee performance. Nevertheless, unfortunately, many companies do not have reliable human resources to compete. Ironically, those who have worked for a long time are

not getting smarter. On the contrary, they are increasingly unable to accept new challenges. In addition, another problem that arises is that many employees are competent, but if they do not implement their intelligence into effective workplace behavior, that intelligence is useless.

There are five aspects of competency, according to [4]:

1. Motive is something that a person consistently thinks about so that he takes action.
2. Traits are things that make people behave or how someone responds to something in a certain way.
3. Self-concept is a person's attitudes and values.
4. Knowledge is information that a person has for a particular field.
5. Skill is the ability to bring a specific task well physically and mentally.

Competency is knowing what to do and being able to do it well. Competency is a skill to carry out or do a job based on skills and supported by the work attitude required by the task. Competency shows skills and knowledge characterized by professionalism in a particular field as something that is most important or superior; thus, competency becomes very useful to help organizations improve their achievements. The better the attention to competence, the higher the employee's achievement. Furthermore, achievement is the level of achievement of results on the implementation of specific tasks and can be viewed as a process of how work takes place to achieve work results. The results of the work itself indicate performance. All human resources perform in the organization, both the leaders and workers. Many factors can affect human resources in carrying out their performance. Some factors come from outside and from within him.

### **Employee Performance**

According to [5], the factors that affect performance are the ability and motivation factors. Psychologically, employee abilities consist of potential abilities (IQ) and reality abilities (knowledge + skills). This means that employees with IQ above the average with adequate education for their positions and skills in doing work.

According to [1], employee performance can be assessed from several things, such as:

#### **1. Loyalty**

The loyalty of employees to the organization is closely related to their dedication. Loyalty is the determination and ability to obey, implement, and practice something that is obeyed with full awareness and responsibility. This determination and ability must be proven by the attitude and behavior of the employee concerned in his daily activities and carrying out the tasks and work assigned to him.

#### **2. Work Performance**

Performance is achieved by a person carrying out the tasks and work assigned to him. In general, an employee's work performance is influenced by the skills, skills, experience, and sincerity of employees at work.

### 3. Discipline

The ability of employees to comply with all provisions and administrative regulations given by the authorities and the ability not to violate the rules, both written and verbal.

### 4. Creativity

The ability of employees to develop and bring out the potential or ideas that exist in completing a job or problem in an organization.

### 5. Cooperation

The ability of an employee to work together with others to complete a predetermined task and achieve maximum efficiency and effectiveness.

### 6. Skills

Employees' skills in completing their work assignments are seen from the implementation of their work in accordance with the results achieved.

### 7. Responsibility

Responsibility is the employee's ability to complete the tasks and work assigned to him as well as possible and on time and dare to take risks for the decisions he takes or the actions he takes and the responsibility for the existing facilities.

According to [1], the indicators of employee performance are:

1. Loyalty
2. Work performance
3. Work creativity
4. Cooperation
5. Skills

This research focused on determining and analyzing the influence of Employee Discipline, Competency on Employee's Performance at PT. Prima Indonesia Logistik in Belawan City.

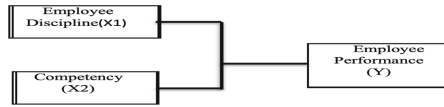
## 2 Methods

This type of research is correlational research. In this research, a survey method was used with the help of using a questionnaire. The data analysis technique used in this research is multiple linear regression using the SPSS application. The sampling technique in this study was the census method or sampling with the saturated sampling method. The population in this study were all employees at PT Prima Indonesia Logistik, totaling 62 people, and also acted as the sample.

## 3 Results and Discussion

### 3.1 Results

Based on Fig. 1, there are three constructs, namely Employee Discipline (X1), Competency (X2), and Employee Performance (Y).



**Fig. 1.** Structure Diagram

**3.1.1 Multiple Linear Regression**

Multiple linear regression analysis was conducted to determine the effect of the variable Employee Discipline (X<sub>1</sub>) and Competence (X<sub>2</sub>) on Employee Performance (Y) at PT. Pelita Logistics Indonesia Belawan City. The results of multiple linear regression coefficients can be seen in Table 4.

Based on Table 4, the results of the multiple linear regression equation are obtained as follows:

$$Y = -0.798 + 0.503X_1 + 0.364X_2 \tag{1}$$

The constant value ( $\beta_0$ ) of  $-0.798$  indicates that the Employee Discipline and Competence variables are considered constant at the level of the Employee Performance variable. If the value of the independent variable is 0 or constant, then Employee Performance (Y) has a value of  $-0.798$ , indicating units.

The regression coefficient value from the Work Environment ( $\beta_1$ ) =  $0.503 > 0$ . This indicates that the Employee Discipline variable positively and significantly affects employee performance. The higher the employee discipline, the more employee performance will increase, and vice versa.

The regression coefficient value of competence ( $\beta_2$ ) =  $0.364 > 0$ , this indicates that the Competence variable has a positive and significant effect on employee performance, meaning that the higher the competency, the higher the employee performance, and vice versa.

Based on Table 5, it is known that score coefficient determination (Adjusted R Square) is 0.763 or 76.3 percent. This shows that by 76.3 percent variation, Employee Performance could be explained by the independent variable, Employee Discipline (X<sub>1</sub>) and Competency (X<sub>2</sub>), and the remaining 23.7 percent explained by other factors outside the research model.

**Table 4.** Multiple Linear

Model		Unstandardized Coefficients		Standardized Coefficients	F	Sig.
		B	Std. Error			
1	(Constant)	-.798	2.607		-.306	.761
	Employee Discipline	.503	.057	.664	8.875	.000
	Competency	.364	.087	.314	4199	.000

a. Dependent Variable: Employee Performance

**Table 5.** Coefficient Determination

Model	R	R Square	Adjusted R Square	Std.Error of the Estimate
1	.878 <sup>a</sup>	.771	.763	2,087

a. Predictors: (Constant), Competency, Discipline Employee

b. Dependent Variable: Employee Performance

### 3.1.2 Hypothesis

*Significant Test by Simultaneously (F-Test)*

In Table 6 it is known that amount sample (n) as much 62 respondents and the number of parameters (k) is 3, so that obtained  $df_1 = 3 - 1 = 2$ ;  $df_2 = n - k = 62 - 3 = 59$ , then at  $\alpha = 0.05$  we get  $F_{table} = 3.153$ . Based on Table 4. 14 obtained score  $F_{value} (99.197) > F_{table} (3.153)$  and significance  $(0.000) < (0.05)$ . This means the Employee Discipline variable and competency simultaneously affect Employee Performance PT. Prima Indonesia Logistics Belawan City.

*Significant Test by Partial (t-test) (Table 7).*

1. Coefficient value regression from employee discipline ( $\beta_1$ ) = 0.503 > 0, with  $t_{value} (8.875) > t_{table} (2,000)$  and significance  $(0.000) < (0.05)$ . It shows that employee

**Table 6.** F-Test

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	863,919	2	431960	99,197	.000 <sup>b</sup>
	Residual	256,919	59	4,355		
	Total	1120,839	61			

a. Dependent Variable: Employee Performance

b. Predictors: (Constant), Competency, Discipline Employee

**Table 7.** t-test

Model		Sum of Squares		Standardized Coefficients	t	Sig.
		B	Std. Error	Beda		
1	(Constant)	-.798	2,607		-306	.761
	Employee Discipline	.503	.057	.664	8.875	.000
	Competency	.364	.087	.314	4.199	.000

- a. Dependent Variable: Employee Performance With (n) = 62, the number of parameters (k) = 3,  $df = (n-k) = 62 - 3 = 59$  then at the level of error = 0.05, obtained t table = 2,000:



discipline positively and significantly affects employee performance. Meaning that the better employee discipline, the better employee performance.

2. Coefficient value regression from competency ( $\beta_2$ ) = 0.364 > 0 with  $t_{\text{value}}$  (4,199) >  $t_{\text{table}}$  (2,000) and significance (0,000) < (0.05). it shows that competency positively and significantly affects employee performance. The higher the competency, the better the employee performance.

## 3.2 Discussions

### 3.2.1 The Effect of Employee Discipline (X1) on Employee Performance

The regression coefficient value of employee discipline ( $\beta_1$ ) = 0,503 > 0, with  $t_{\text{value}}$  (8.875) >  $t_{\text{table}}$  (2,000) and significance (0.000) < (0.05) This indicates that the employee discipline variable has a positive and significant effect on employee performance at PT. Prima Indonesia Logistik belawan city. Meaning that, the better the employee discipline, the better the employee performance and vice versa.

The relationship between discipline and performance, according to [1], is that discipline is the sixth most crucial operative function of human resource management because the better the employee discipline, the higher the performance that can be achieved. Without good employee discipline, it is difficult for organizations to achieve optimal results. Meanwhile, according to [1], performance is a result of work achieved by a person in carrying out the tasks assigned to him based on skills, experience, sincerity, and time. In line with that, [6] reveal that performance is the result of work that has a strong relationship with the organization's strategic goals and customer satisfaction and contributes to the economy.

### 3.2.2 The Effect of Competency (X2) on Employee Performance

The regression coefficient value of competence ( $\beta_2$ ) = 0.364 > 0 with  $t_{\text{value}}$  (4.199) >  $t_{\text{table}}$  (2,000) and significance (0.000) < (0.05.). This indicates that the Competence variable positively and significantly affects Employee Performance at PT. Prima Indonesia Logistik Belawan City, meaning that the higher the competency, the better the employee's performance, and vice versa.

Human resource competencies have a close relationship with performance; this is in line with the opinion of [7], which states that human resource competencies are competencies related to knowledge, skills, abilities, and personality characteristics that directly affect their performance. So it can be concluded that the competence of human resources is something that can provide an overview of the ability of an individual or human resources to carry out specific tasks. Human resource competence can also be interpreted as individuals' essential characteristics, which, in a causal relationship, are related to effective or superior performance in a job or position. Each worker has the ability based on knowledge and skills, competencies appropriate to the job, work motivation, and job satisfaction. However, workers also have personalities, attitudes, and behaviors that can affect their performance [6].

### 3.2.3 The Effect of Employee Discipline (X1) and Competency (X2) on Employee Performance

In Table 6 it is known that the number of samples ( $n$ ) is 62 respondents and the number of parameters ( $k$ ) is 3, so that it is obtained  $df_1 = 3 - 1 = 2$ ;  $df_2 = n - k = 62 - 3 = 59$ , then at  $\alpha = 0.05$ ,  $f_{table} = 3.153$  is obtained. Based on Table 4, the value of  $F_{value}(99.197) > f_{table}$  (3.153) and significance  $(0.000) < (0.05)$ . This means that the variables of employee discipline and competence simultaneously have a significant effect on the performance of employees of PT. Prima Indonesia logistics belawan city.

Employee discipline can be seen as having significant benefits for the organization and the employees. For organizations, the existence of work discipline will ensure the maintenance of order and the smooth implementation of tasks to obtain optimal results. Meanwhile, for employees, a pleasant working atmosphere will be obtained to increase morale in carrying out their work. Thus, employees can carry out their duties with full awareness and develop their energy and mind as much as possible to realize organizational goals [8]. Thus, the higher the competency level of human resources in the company, the better the company's performance.

## 4 Conclusion

Based on the results of the explanation above, it can be concluded that:

- 1 Employee discipline positively and significantly affects employee performance at PT. Prima Indonesia Logistics Belawan City
- 2 Competency positively and significantly affects employee performance at PT. Prima Indonesia Logistics Belawan City
- 3 Employee discipline and competency positively and significantly affect Employee Performance at PT. Prima Indonesia Logistics Belawan City

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