



The Influence of Human Capital and Work Discipline on Employee Performance

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Abstract. This study aims to analyze the influence of Human Capital and Work Discipline on Employee Performance at Nurtanio University, Bandung. Human Capital includes the knowledge, skills, and experience possessed by individuals, while Work Discipline relates to compliance, perseverance, and responsibility in carrying out job tasks. The collected data were analyzed using statistical techniques, such as regression analysis, to examine the relationship between the studied variables. The research employed a quantitative approach with a sample population of 60 employees from Nurtanio University Bandung. The results indicate that Human Capital has a positive and significant effect on employee performance, Work Discipline also has a positive and significant effect on employee performance, and both variables collectively influence employee performance. Furthermore, Work Discipline is the most dominant variable affecting employee performance.

Keywords: Employee Performance, Human Capital, Work Discipline.

1 Introduction

Organizations or companies are required to manage their human resources properly for the survival and progress of the organization. Human resource management is vital for an organization in managing and utilizing its employees to function productively and achieve its goals. What needs to be considered is improving the ability and quality of human resources to create outstanding employee performance.

Human capital management is an essential part of an organization's intangible assets. Not a few organizations consider organizational performance to come from tangible resources. Human capital management helps make decisions to focus on human development to improve the quality of human resources. Improving the quality of human resources is one of the main capitals of an organization with infinite value and amount. Human capital management is important in an organization because it is a source of innovation, finding new strategies to advance the organization, motivating each member, building commitment, increasing competence, and maintaining effective teamwork.

Work discipline is crucial in improving employee performance. According to [1], work discipline can be interpreted as an attitude of willingness and awareness of an

employee to comply with all rules in the company and obey existing social norms. Without discipline, all activities that will be carried out will bring unsatisfactory results and will not be in accordance with expectations.

Nurtanio University Bandung is one of the Private Universities in Indonesia, which, in the implementation of its Tridharma of Higher Education, is adjusted to the development of Aerospace in general. Employee performance will be a form of human resource contribution to the organization that is very decisive for achieving the organizational goals of Nurtanio University Bandung. However, in its implementation, there are still obstacles to organizational performance that impact the performance of Nurtanio University Bandung employees.

Based on the background and phenomena stated above, the authors are interested in taking the research title *The Effect of Human Capital and Work Discipline on Employee Performance at Nurtanio University Bandung*. The problem formulation of this research is as follows:

1. Does human capital affect the performance of Nurtanio University Bandung employees?
2. Does work discipline affect the performance of Nurtanio University Bandung employees?
3. Do human capital and work discipline affect the performance of Nurtanio University Bandung employees?

The objectives to be achieved in this study are to determine and analyze the effect of Human Capital on employee performance at Nurtanio University Bandung, to determine and analyze the effect of work discipline on employee performance at Nurtanio University Bandung, and to determine and analyze the effect of human capital and work discipline on employee performance at Nurtanio University Bandung.

1.1 Human Capital

According to [2], human capital is knowledge, expertise, ability, and skills that make humans or employees the capital or assets of a company. Human capital is needed by workers who obtain it through education and training (on-the-job training) to support work experience. Human capital is necessary to support the ability to produce goods and services and increase productivity.

Human capital is an important factor in the production process because human resources are an important asset in improving company performance [3]. Human capital reflects the company's collective ability to produce the best solution based on the knowledge possessed by the people in the company, which will increase if the company can use the knowledge possessed by its employees. Human capital is a group of three key elements: skills, attitudes, and intellectual intelligence.

According to [4], the factors that determine the success of the business in viewing humans as capital are:

1. Experience, skills, innovation, and insight.
2. Its ability to understand how to manage human capital for performance and wealth.

3. Training on how to apply capital management principles as a method for business strategy and performance.

These factors give birth to a principle in human capital management that a strong human capital strategy requires solid facts, steps, and processes to distinguish where the company will get a significant influence from its workers where it is influenced by technological advances that have become a catalyst for the emergence of approaches in human resource management, thus creating business models and strategies that human capital must be suitable for planning in taking advantage of actual events that are maintained in the company's information system where human resources can help to see how business models and performance strategies must be carried out. Reference [2] states that human capital Indicators are:

1. Knowledge
2. Expertise
3. Ability
4. Skills

1.2 Work Discipline

According to [5], work discipline is a process of corrective action that shapes a person's behavior in order to produce an attitude of compliance and order. It also shows the value of obedience and order in enforcing applicable organizational regulations. Good work discipline will show how much sense of responsibility employees have for the work given effectively.

Reference [6] explain that work discipline is an act of self-control and employee behavior in order to work together in an organization. The application of disciplinary action in the organization will be conducted on employees who cannot achieve targets or follow the rules properly. Meanwhile, [1] explains that work discipline is an attitude of willingness and awareness of an employee to comply with all the company's rules and obey existing social norms.

Work discipline has factors that can influence it. Hamali in [7] explains that work discipline is influenced by seven factors, including the following: compensation, exemplary leaders in the organization, rules as a guide, courage to make decisions, leadership supervision, attention to employees, and a supportive environment to enforce discipline. Meanwhile, according to [8], the factors influencing the level of employee discipline in organizations include organizational culture, ability, loyalty, compensation, leadership, punitive sanctions, environment, supervision, and justice.

Reference [5] explain three dimensions of work discipline, namely:

1. Attendance: Collecting data related to employee attendance so that it can be used as a tool to measure the level of employee discipline.
2. Attitude and behavior: The level of honesty that employees have towards the company, the thoroughness of an employee in completing the work given, and a sense of tolerance towards colleagues.

3. Responsibility: Can complete work individually or together following the work given, can accept the risks of the work done, and can comply with applicable company regulations.

1.3 Employee Performance

According to [9], employee performance is the willingness of a person or an organization to do something to be perfected and completed in accordance with the responsibilities and goals of the organization and the expected results. An employee's performance will determine whether the company is good or bad because the optimal achievement of goals and the company's future sustainability requires good employee performance.

Reference [10] define employee performance as a person's achievement of the success of the tasks and responsibilities given in quality or quantity. Meanwhile, according to [5], performance is the level of task implementation that a person or group can achieve in accordance with predetermined limits and their ability to achieve organizational goals. Reference [11] states that work performance or performance is the desire to achieve goals or complete tasks more effectively than in the past.

According to [5], employee performance has several factors that can influence it, including the following: work motivation, discipline and turnover, retaining employees, recruitment, job satisfaction, commitment, employee engagement, loyalty, and retention drivers that can help employees perform at high levels. The three main factors influencing employee performance are individual ability to do the job, effort expended, and organizational support.

According to [9], in assessing individual employee performance, there are five dimensions and several indicators, which are as follows:

1. Quality is the form of assessment carried out in the form of accuracy of the results of the work given and the accuracy of an employee in working on the work he does to get optimal results.
2. Quantity is a form of assessment carried out on the effectiveness of an employee in doing the work given and the ability of an employee to meet the work targets given.
3. Trust is an evaluation that considers indicators of an employee's expertise, ensuring they are reliable in fulfilling their responsibilities and fostering strong working relationships with colleagues based on mutual trust. Additionally, an employee's creativity plays a crucial role in successfully completing assigned tasks without difficulties.
4. Cooperation is evaluated based on the level of collaboration among employees in completing assigned tasks. This assessment also includes teamwork in problem-solving and task execution. Additionally, adaptability is a key indicator of cooperation, reflecting an employee's ability to adjust to a new environment or job.
5. Availability is a form of assessment carried out by paying attention to the readiness to work of an employee and the activeness of an employee in solving work problems that occur in the workplace.

1.4 Research Paradigm

Figure 1 shows the research paradigm.

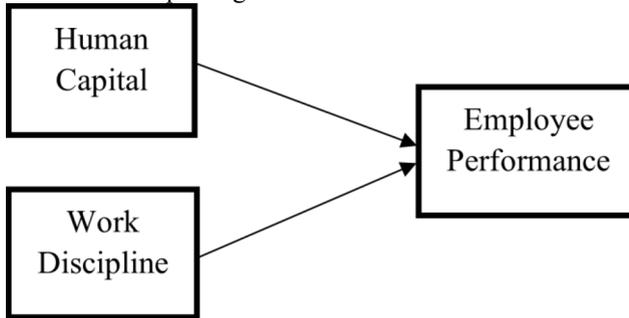


Fig. 1. Research paradigm.

1.5 Hypothesis

According to [12], a hypothesis is a statement or answer explaining the alleged relationship between two or more variables that are temporary to formulating research problems. In this study, the authors have the following hypothesis:

- H1: Human capital affects employee performance at Nurtanio University Bandung.
- H2: Work discipline affects the performance of Nurtanio University Bandung employees.
- H3: Human capital and work discipline affect employee performance at Nurtanio University Bandung.

2 Methods

In this study, independent variables and dependent variables will be studied. The independent variable in this study is "Work discipline and Work Motivation", and the dependent variable in this study is "Employee Performance". Based on the independent and dependent variables in this study, "The Effect of Human Capital and Work Discipline on Employee Performance," in conducting research. Furthermore, the research method used for this research problem is descriptive and verification.

Descriptive research aims to describe a systematic and factual picture. Thus, a description of the independent and dependent variables in this study is obtained. Verification research will test the hypothesis in this study by collecting data directly on the analysis unit. Thus, this study will test whether work discipline and work motivation affect employee performance.

Population, according to [12], is a leveling area that contains objects or subjects with the qualities possessed and the determination of a characteristic by research to be studied and conclusions from the results. This study's population was Nurtanio University Bandung employees, with 149 employees. The sample to be used based on the

calculation of the Slovin formula is 60 employees of Nurtanio University Bandung. This study uses a probability sampling technique with a simple random sampling method. This method is simple because taking sample members from the population is done randomly without regard to the strata that exist in that population.

3 Results and Discussion

From Table 1, data processing carried out on several research instruments shows that Cronbach's Alpha value for the three variables tested has a Cronbach's coefficient Alpha value greater than 0.50. Thus, it can be said that the research instrument is reliable and can be used to continue this research.

Table 1. Results of data processing of research instruments.

No.	Variables	Cronbach's Alpha	Description
1	Human Capital	0.941	Reliable
2	Work Discipline	0.941	Reliable
3	Employee Performance	0.903	Reliable

Based on Table 2, it is seen that the constant (a) or Y value is 1.499, meaning that if there is no change from Human Capital and work discipline is 0 (zero), the value of employee performance is positive at 1.499. Suppose the regression coefficient of Human Capital increases by one unit, while work discipline remains. In that case, employee performance is 0.116, indicating that an increase in Human Capital positively affects employee performance. Suppose the regression coefficient of work discipline increases by one unit, while Human Capital remains. In that case, employee performance is 0.411, indicating an increase in work discipline positively affects employee performance.

Table 2. Multiple linear regression test results.

Model	B	Sig.
Constant	-1.499	.758
Human Capital	.166	.033
Work Discipline	.411	.000

Dependent Variable: Employee Performance

Based on Table 3, the effect of Human Capital on Employee Performance is evident, as the significance level (Sig.) is 0.033, which is less than 0.05. This indicates that H0 is rejected and H1 is accepted. Additionally, the data analysis results show that the t-value (2.215) exceeds the critical t-value (2.026), further confirming the rejection of H0 in favor of H1. Therefore, based on these calculations and data processing, it can be concluded that the Human Capital variable significantly impacts employee performance.

The effect of Work Discipline on Employee Performance is the value of the significance level (Sig.) is 0.000 < 0.05. This means that H0 is rejected and H1 is accepted.

Based on the results of data processing shown in the table, it is obtained that the value of t count = $5.820 > t$ table 2.026 . This means that H_0 is rejected and H_1 is accepted. Based on the calculation and data processing results above, it can be concluded that the Work Discipline variable significantly influences employee performance.

Table 3. T-test Results

Model	T	Sig.
Constant	-.311	.758
Human Capital	2.215	.033
Work Discipline	5.820	.000
Dependent Variable: Employee Performance		

Based on the results in Table 4 show that the Significance value (sig.) obtained is 0.000 , meaning that the sig value = $0.000 < 0.05$. This means that the hypothesis can be accepted, where Human Capital and Work Discipline simultaneously affect the Employee Performance variable. F count = $48.662 > F$ table = 2.87 . Because of the value of F count $> F$ table, it can be concluded that the hypothesis is accepted; in other words, Human Capital and Work Discipline simultaneously affect the Employee Performance variable.

Table 4. F Test Results

F	Sig.	Description
48.662	0.000b	Significant

3.1 The Effect of Human Capital on Employee Performance

From this study, it can be seen that at Nurtanio University Bandung, the Human Capital variable significantly affects Employee Performance. If human capital increases by one unit, employee performance will increase by 0.116 , assuming that other independent variables are constant.

3.2 The Effect of Work Discipline on Employee Performance

From this study, it can be inferred that at Nurtanio University Bandung, the work discipline variable significantly affects employee performance. If work discipline increases by one unit, employee performance will increase by 0.411 , assuming other independent variables are constant.

3.3 The Effect of Human Capital and Work Discipline on Employee Performance

From the results of the F test, it is concluded that human capital and work discipline affect employee performance. Therefore, to maintain and optimize employee performance at Nurtanio University Bandung, it is necessary to monitor and evaluate these

two variables periodically. The coefficient of determination is 0.786. This illustrates that the research of Human Capital and Work Discipline variables on Employee performance influences 78.6%, and the remaining 21.4% is influenced by other factors that have not been examined in this study.

4 Conclusions

Human capital and work discipline positively and significantly affect employee performance at Nurtanio University Bandung. It is recommended that human capital variables increase the development of employee expertise, such as professional certification, and encourage employees to participate in professional certification programs relevant to their field. This certification can increase employee expertise and credibility in that field. The work discipline variable is recommended to provide clear and constructive feedback to employees regarding their performance related to work discipline.

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