Building a Winning Team: PT XYZ's Approach to Optimizing Performance through Discipline and Culture

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Abstract: The purpose of this study is to find out and analyze: (1) Discipline (2) Organizational Culture (3) Employee Performance (4) Effect of Discipline and Organizational Culture on Employee Performance. The research method used was an explanatory survey, descriptive survey and Path Analysis. Based on the results of the study found that there are other factors that make targets in the company have not been achieved and a large number of employees delay, is another variable from Discipline and Organization Culture. PT. XYZ must find other variables and improve so that employee performance increases.

Keyword: Discipline, Organization Culture and Performance

INTRODUCTION

The world economy is currently faced with changing conditions. The world economy is currently faced with structural problems including demographic problems. Europe, Japan, the People's Republic of China and Singapore, they are experiencing *aging population* problems, where the population is dominated by groups over 40 years old or inverted pyramid composition where old age is more than young. Meanwhile, Indonesia still has a young demographic or *Young Demographic Composition*. This is what makes Indonesia have the ability to grow due to the factor of a younger, healthier workforce entering the workforce. These conditions have their own challenges. The challenge of the *aging population* problem is the cost of maintaining health. Meanwhile, the challenge of young demographics is the quantity and quality of human resources. The advancement of Industry 4.0 *(Automation, Analytics, Cyber-physical devices, and IoT (Internet of Things))* will change many things such as the type of work and the workforce needed. Good human resources in a company will be able to advance the company. (Sutadji, 2010: 22).

In fact, PT Hasakona is still unable to achieve the target, we can see in Table 1.

Table 1. Quality Objectives of PT XYZ No. Doc. HB.SP.01

Quality Objective	Target	Reality
Increase company sales	1 *International Client* (PO)	Not Achieved
	4 *New Clients* (PO)	Not Achieved
	2 *Repeat Orders* (PO)	Not Achieved

	Handling response complain	Not Achieved
	Customer Satisfaction	Not Achieved
Better product design	Ability to calculate process	Not Achieved
	Mechanical capability	Not Achieved
	Drawing ability	Not Achieved
	Electrical capability	Not Achieved
	Instrument capabilities	Not Achieved
Product quality in accordance with the demand for goods and good quality	Quality of *work Manship*	Not Achieved
	Controlled Budget	Achieved
	Delivery Time	Achieved
	Maintenance of fabrication tools	Not Achieved
Meet customer requirements	Meet *Approve Manufacture List*	Not Achieved
Having the best employees	Labor supply as required	Achieved
	Employee Competency	Not Achieved
	Rotation and mutation	Not Achieved
Company profit of PT. XYZ	*Reduce the operational*	Not Achieved
Improvement in Quality improvement	S.O.P. *Review*	Not Achieved
	Sharing Session	Not Achieved
Zero work accidents and PAK	500,000 hours without LTI	Achieved
	3,000 hours without a *near miss*	Achieved
	0 (*zero*) PAK	Achieved
Comply with OHS regulations	100% adhere to the rules K3	Achieved

Source: PT XYZ Quality Objective Document

Internal factors state that the level of employee discipline is low, seen in table 2

Table 2 Absence of employees of PT XYZ (February - May 2019)

Period	Too late	Employees
Jan. 25 - Feb. 24	601	69
Feb. 25 - Mar. 24	617	73
Mar 25 - Apr 24	653	77
Apr. 25 - May 24	774	77

Source: Human Resources PT XYZ

Based on table 2 above, it can be seen that the level of discipline of PT XYZ employees is still not optimal. External factors state that the organizational culture of PT XYZ still has a vandalism nature, especially in *People Orientation* and *Team Orientation, as* seen from Table 3.

Table 3. Poor Organizational Culture of PT XYZ

Poor Organizational Culture PT. XYZ
Social Strata

High Profile
Employees who often gossip about other employees, lack of tolerance.

Source: Minutes of Meeting, July 1, 2019 - HSE, HR & GA

Based on the data obtained, researchers found that employees were not disciplined when they came to work. Being late for work often adds to the low level of discipline. This will be a bad organizational culture for the future of the company, especially when PT XYZ adds employees, this will create a dangerous organizational culture because new employees will follow. It is not easy to implement the Vision and Mission to around 78 employees of PT. XYZ. The awareness that is owned from within the employees to have the same soul or feeling in viewing their company, is very lacking.

METHOD

In this study using descriptive and verification methods. Where in this study will examine the effect of discipline and organizational culture on employee performance at PT XYZ. The unit of analysis in this study were employees of PT XYZ. Research is included in the *cross-sectional* category.Secondary data is sourced from documentation available at PT XYZ. While primary data is in the form of perceptions about discipline, organizational culture and employee performance at PT XYZ. While the way of determining the respondents used in this study is *probability sampling*. However, this study focuses on examining the discipline, organizational culture and performance of PT XYZ employees who are in the *office,* so to be validity and reliability, all employees who are in the *office* are taken as many as 40 employees.

Analysis Design and Hypothesis Testing

The analysis used is descriptive analysis and quantitative analysis. Descriptive analysis is used for qualitative variables in order to determine the behavior of causal factors. For hypothesis testing using statistical tests using quantitative analysis, in order to reveal the behavior of these variables. By using a combination of these methods, comprehensive generalizations can be obtained.

To obtain data from qualitative variables, each variable is described in indicators. So that each indicator can be measured by the size of the answer rating on an ordinal scale. The path analysis technique requires data requirements that have a measurement level of at least interval. Because through *Methods of Successive Intervals*, data transformation is carried out.

To examine the influence among the research variables on employee performance, the tabulated data were applied to the *path* analysis research approach. With path analysis, the magnitude of the influence between variables can be determined and expressed in percentages.

RESULTS AND DISCUSSION
Respondents' Responses to Discipline Variables

Based on the research results, respondents' responses to the discipline variable show that the statement "I accept sanctions when I make mistakes and harm the company" produces the highest score of any other statement on the variable indicator on Work Discipline, which illustrates that the level of employee awareness of the sanctions received if they make mistakes is high so that the rules that have been enforced will run well. Meanwhile, the lowest score on the Work Discipline variable is on the statement "Strict sanctions for those who violate the rules and mistakes", this condition illustrates that within **PT. XYZ**, employees do not agree if strict sanctions are given to every employee who makes a mistake. This means that on the other hand employees are ready to accept sanctions if they make mistakes but do not agree if strict sanctions are given to every violator.

Respondents' Responses to Organizational Culture Variables

Based on the research results, respondents' responses to the organizational culture variable show that "Appreciating every responsible individual in expressing their ideas" produces the highest score of other statements on the variable indicator on Organizational Culture, which illustrates that leaders and employees always appreciate every individual who expresses his opinion on the responsibilities assumed. Meanwhile, the lowest score on the Organizational Culture variable is in the statement "I will always defend my ideas", this condition illustrates that within **PT. XYZ**, employees are able to accept suggestions from other individuals so that the level even though not all are able to accept. This means that on the other hand employees are ready to accept sanctions if they make mistakes but do not agree if strict sanctions are given to every violator.

Respondents' Responses to Performance Variables

Based on the research results, respondents' responses to the performance variable show that the statement "I try to produce good quality work compared to coworkers" produces the highest score of other statements on variable indicators on performance, which illustrates that each employee tries to provide the best quality of work compared to his coworkers so that this will have an impact on better work competition and have an impact on company performance. Meanwhile, the lowest score on the Performance variable is found in 2 statements, namely the first one is "During work, the results of my work are better when compared to the last time I did it and the results are in accordance with the time planned by the agency", and this illustrates that some employees work not in accordance with the time determined by the company so that this will have an impact on the company's work achievements. And the second statement is "I help if a coworker's work is unfinished" and this condition also illustrates that some employees who work within **PT. XYZ** have not been able to work well with other employees.

Validity and Reliability Test
Validity Test

To test the validity of the instrument in this study, SPSS 20.0 software was used.

Table 4. Results of the Discipline Variable Validity Test

Variables	Item Statement	Item Total Correlation (r-count) Perception Level	Significant Level	Conclusion
Discipline	1	0,608	0,361	Valid
	2	0,495	0,361	Valid
	3	0,417	0,361	Valid
	4	0,638	0,361	Valid
	5	0,517	0,361	Valid
	6	0,615	0,361	Valid
	7	0,514	0,361	Valid

Source: SPSS 20 Processing Data

Based on table 4, it can be concluded that all question instruments on the **Discipline** variable are valid because r-count> 0.361.

Table 5. Organizational Culture Variable Validity Test Results

Variables	Item Statement	Item Total Correlation (r-count) Level Perception	Significant Level	Conclusion
Organizational Culture	1	0,557	0,361	Valid
	2	0,510	0,361	Valid
	3	0,453	0,361	Valid
	4	0,243	0,361	**Invalid**
	5	0,502	0,361	Valid
	6	0,422	0,361	Valid
	7	0,345	0,361	Valid

Source: SPSS 20 Processing Data

Based on table 5, it can be concluded that there are question instruments on the Organizational Culture variable that are invalid because r-count <0.361.

Table 6
Performance Variable Validity Test Results

Variables	Item Statement	Item Total Correlation (r-count) Perception Level	Significant Level	Conclusion
Performance	1	0,583	0,361	Valid
	2	0,661	0,361	Valid
	3	0,600	0,361	Valid
	4	0,425	0,361	Valid
	5	0,524	0,361	Valid

Source: SPSS 20 Processing Data

Based on table 6, it can be concluded that all instruments of the Learning Method variable are valid because r-count> 0.3

Reliability Test

Reliability testing is done with internal *consistency* or the degree of accuracy of the answer. According to Sekaran (2010: 182) a measuring instrument is said to be reliable and can be processed at the next stage if the coefficient value r ≥ 0.6. If the measuring instrument has a coefficient value r < 0.6, the measuring instrument is not reliable.

Table 7. Reliability Test Results of Questionnaire Questions Per Variable

Variables	Grain Statement	Item Total Correlation (r-count) Perception Level	Level Significant	Conclusion
Work Discipline	1	0,719	0,631	Valid
Organizational Culture	2	0,642	0,631	Valid
Performance	3	0,707	0,631	Valid

Source: SPSS 20 Processing Data

Based on table 7, it can be concluded that all instruments of the Discipline, Organizational Culture, and Performance variables are reliable because the value of r> 0.6.

Path Analysis

The amount of influence from a cause variable to the effect variable is called the **path**

coefficient and is symbolized **pxixj.** To test the path coefficient can be taken in 2 ways, namely: *overall (overall)* and individually (each), the individual testing formula was developed by AlRasjid, which is based on JK-JHK, and the correlation matrix. While the formula developed by **Cohen** is based on the coefficient of multiple determination.

Path analysis is carried out based on the relationship model between the variables studied, where the direction of the variable relationship is arranged from the far left to the far right and the relationship between the variables is described by arrows.

There are various relationship models that can be built from the same research variables, depending on how the hypothesis prepared by the researcher regarding the relationship between the research variables.

Simultaneous Testing and Results

Based on the substructure above, the following will be tested from each substructure with analysis using the SPSS Program and the following results;

Table 8. Simultaneous Testing of X_1 and X_2 on Y

ANOVAª

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	80.281	2	40.140	11.943	.000 b
Residuals	124.359	37	3.361		
Total	204.640	39			

a. Dependent Variable: PERFORMANCE
b. Predictors: (Constant), ORGANIZATIONAL CULTURE, WORK DISCIPLINE
Source: Results of statistical data processing with SPSS

In the table above, we can see that the ***significance value <0.***000<0.**05**, so the ***hypothesis*** is ***accepted.*** And this means that the ***test results are significant, which means that overall, the Work Discipline and Organizational Culture variables have a significant effect on Performance.***

To see the simultaneous influence of external influences other than X1 and X_2, we look at the SPSS output *summary model* below where the value of R Square is 0.125. Where this figure is used to calculate the Coefficient of Determination (KD).

Table 9. Simultaneous influence of external influences other than X1 and X_2

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.626ª	.392	.359	1.83332

a. Predictors: (Constant), ORGANIZATIONAL CULTURE, WORK DISCIPLINE
Source: Results of statistical data processing with SPSS

Based on the SPSS output in the model summary table, R^2 is obtained of 0.392, so the other effect ρx1x2 = 1 - 392 is 0, 608, where this figure is used to calculate the Coefficient of Determination (KD):

KD = R Square x 100% = 0.392 x 100% = 39.2%

Based on the calculation of the coefficient above, it can be seen that the variables of **Work Discipline (X_1) and Organizational Culture (X_2) simultaneously have an influence**

of 39.2%. Meanwhile, another influence of **60.8%** is **determined by other variables that cannot be explained in this study**.

Partial Substructure Testing

Table 10. Partial Substructure Testing Coefficient Value
Coefficientsᵃ

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Error	Beta		
1	(Constant)	3.863	2.184		1.769	.085
	WORK DISCIPLINE	.155	.102	.217	1.521	.137
	ORGANIZATIONAL CULTURE	.445	.126	.501	3.520	.001

c. Dependent Variable: PERFORMANCE

Source: Results of statistical data processing with SPSS

Based on the overall test results that the results obtained are significant, then we will see the effect of X1 and X2 on Y individually or partially using the T test but in this study, the basis for decision making, to determine the hypothesis is based on its significance value with the test criteria as follows:

a. If the result of the significance value > the specified significance value, *then Ho is accepted.*

b. If the result of the significance value < the set significance value, *then Ho is rejected.*

And to see how much influence can be seen from the **beta value or *standardized coefficients***. The significance value set is 0.05, so the Ho decision above can be seen that:

a. The significant value of the Discipline Variable (X_1) is 0.137, so partially Discipline does not have an influence on employee performance. So that the Ho Value is Accepted

b. The significant value of the Organizational Culture Variable (X_2) is 0.001, so partially Organizational Culture has an influence on Employee Performance

Correlation Analysis Calculation Results

In the path analysis method, to find the causal relationship or influence of the research variables, first calculate the correlation matrix of the Discipline (X_1), Organizational Culture (X_2) variables, on Employee Performance (Y). Where we can see this value through the SPSS output as follows:

Table 11. Correlation Analysis Calculation
Correlations

		Discipline	Organizational Culture	Employee Performance
Work Discipline	Pearson Correlation	1	.435**	.354*
	Sig. (2-tailed)		.005	.025
	N	40	40	40
Organizational Culture	Pearson Correlation	.435**	1	.152
	Sig. (2-tailed)	.005		.348
	N	40	40	40

		.354[*]	.152	1
Performance	Pearson Correlation			
	Sig. (2-tailed)	.025	.348	
	N	40	40	40

**. Correlation is significant at the 0.01 level (2-tailed).
*. Correlation is significant at the 0.05 level (2-tailed).
Source: Results of statistical data processing with SPSS

Based on all the above analysis, it can be concluded that Discipline and Organizational Culture on Employee Performance. The results of the analysis are depicted in a path diagram as follows:

Figure 1
Empirical causal relationship framework between variables
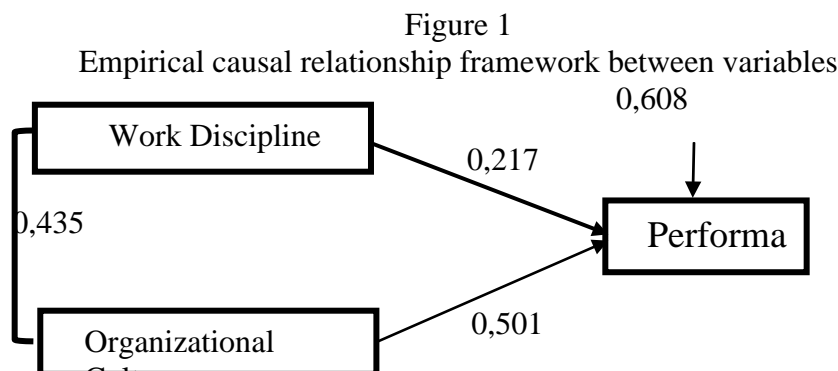
Based on the diagram above, the framework of the empirical causal relationship between Discipline (X_1) and Organizational Culture (X_2) on Employee Performance (Y) is structured as follows:

$$Y = 0.217X_1 + 0.501X_2 + \varepsilon_1$$

Direct and Indirect Influence of Discipline (X1) and Organizational Culture (X2) on Employee Performance (Y)

To determine the direct and indirect effects of variables X1 and X2 on Y, it can be calculated as follows:

1) Direct effect of X_1 on Y

$$= (\rho yx1)^2$$
$$= (0,217)^2$$
$$\mathbf{= 0,047}$$

2) Direct effect of X_2 on Y

$$= (\rho yx2)^2$$
$$= (0,501)^2$$
$$\mathbf{= 0,251}$$

3) Indirect effect of X_1 through X_2 on Y

$$= \rho yx1 \times rx1x2 \times \rho yx2$$
$$= 0.201 \times 0.435 \times 0.501$$
$$\mathbf{= 0,044}$$

4) Indirect effect of X2 through X1 on Y

$$= \rho yx2 \times rx1x2 \times \rho yx1$$
$$= 0.501 \times 0.435 \times 0.210$$
$$\mathbf{= 0,044}$$

Statistical Results

The results of the study of **Discipline on Employee Performance have a** significant and positive direct effect on performance with a value of 0.201 after being calculated by the formula $(\rho yx1)^2$, the result is 22.3%. So, employees who are disciplined at work since leaving, when working and when leaving work and according to the rules at work, will usually have good performance (Setiawan and Waridin, 2006: 189).

The results of research on **Organizational Culture on Employee Performance have** a significant and positive direct effect on performance with a value of 0.501 after being calculated by the formula $(\rho yx2)^2$ then the result is 60.2%. With a direct influence with a value of this size, it proves that organizational culture has an influence on employee performance. This makes the organizational culture variable will have a significant impact on employee performance. Good or bad organizational culture will have an impact on employee performance. This is in accordance with Harlie's research (2012) that organizational culture has a positive and significant effect even though it is small.

While the results of the **indirect effect of Discipline through Organizational Culture on Performance** and the **indirect effect of Organizational Culture through Discipline on Employee Performance** have the same value so that employees who show ethical work and are oriented to all employee interests will have a positive effect on cooperation at work. Adherence to work rules and paying attention to every problem in detail will affect the quality of good work in employees. Employees who have good attendance and are aggressive at work have a good effect on the effectiveness and efficiency of employees at work. So, work discipline and organizational culture together will have a positive and significant effect on employee performance. This is reinforced by the results of research by Radeswandri and Utami (2013) that organizational culture and work discipline have a positive and significant effect on employee performance. This shows that the higher the work discipline and organizational culture will have an impact on the high and low employee performance.

CONCLUSION

Basically, employee satisfaction with the discipline carried out by the leadership of PT XYZ is quite good. This can be seen in the ability of employees to accept sanctions given by company leaders when they make mistakes and harm the company. From the level of satisfaction, female employees accept the rules applied by the leadership more than male employees. However, this employee discipline does not really affect the increase or decrease in employee performance of PT Hasakona. The current organizational culture at PT XYZ is already running quite well. And the level of satisfaction of both male and female employees with the existing organizational culture at PT XYZ is quite satisfactory. This organizational culture condition greatly affects employee performance. Employee performance at PT XYZ tends to be sufficient. This can be seen by the level of employee satisfaction with the performance that has been achieved. However, simultaneously Work Discipline and Organizational Culture at PT XYZ have a significant influence on Employee Performance.

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