Performance Model of Courier Service in Pademangan, North Jakarta: Discipline, Incentives, and Competence

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Abstract. This study aims to analyze the performance of couriers in the expedition industry in the Pademangan area of North Jakarta. The research sample does not include the entire population but only a subset. The sampling method follows the theory of Hair, which provides guidelines for determining sample size in structural equation modeling (SEM). Data for this research were collected directly through a questionnaire, which is a measurement tool containing a series of written questions or statements given to respondents to gather responses relevant to the research needs. Primary data were obtained from the distribution of the questionnaire, with research variables including Performance, Management Information Systems, Training, and Organizational Culture. The data were analyzed using Partial Least Squares (PLS) methodology. Work discipline significantly affects courier performance, while incentives and competence do not have a significant impact. The three independent variables together explain 80.9% of the variation in courier performance. The company needs to reassess its incentive programs and competency development to enhance their effectiveness and consider further research to identify additional factors influencing courier performance.

Keywords: Discipline, Incentives, Courier Performance, and Competence

INTRODUCTION

One of the latest technological advancements is the evolution in the delivery and receipt of goods, which is now easier, faster, and more secure (Situmorang, 2019). Delivery involves transferring goods from one location to another, often due to sales or the need to meet demand (Wulandari, 2018). The role of delivery services is crucial in business and trade operations, as they facilitate the distribution of goods from producers or sellers to consumers (Aulawi et al., 2020).

According to Fadhilah et al. (2021), the popularity of delivery services in Indonesia has increased, driven by technological advancements in the modern era. These advancements encourage people to choose practical and convenient solutions for shipping goods across various regions. Ardillah et al. (2020) highlight that the growing importance of delivery services is due to the active sending of goods, with distance no longer being a major barrier. Rini Astuti & Suhendri (2020) also emphasize that having talented and highly skilled human resources is crucial for companies to achieve their goals, especially in a competitive environment.
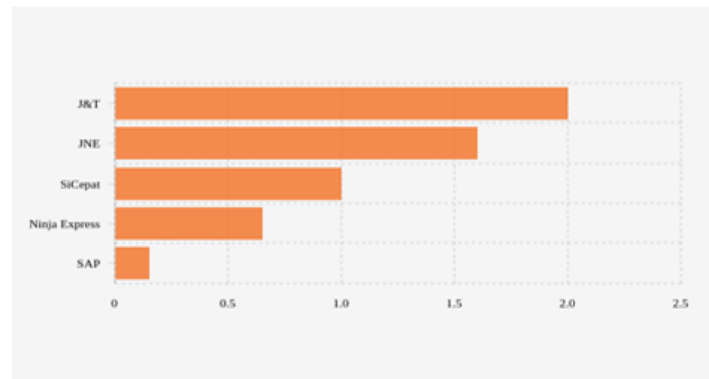
Figure 1. Graph of Package Delivery Volume in 2020

According to Momentum Work, around 5.3 million packages are processed daily by five major courier companies in Indonesia. The surge in online shopping and document shipping has significantly increased delivery volumes (Hanifah, 2020). As a result, courier companies must enhance their performance to ensure timely deliveries, reflecting consumer preferences for reliable services.
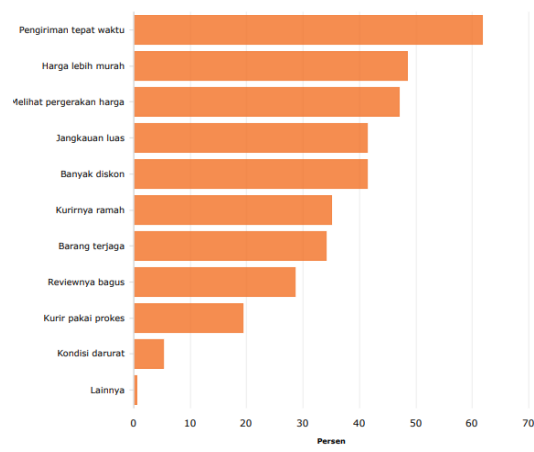

Figure 2. Graph of Reasons Consumers Use Regular Shipping Services

According to a study by Katadata Insight Center (KIC) and Sirclo, around 89.5% of Indonesian consumers prefer regular shipping services when shopping online. Key reasons include 61.8% valuing timely deliveries, 48.5% considering lower shipping costs, and 47.1% appreciating package tracking. Additionally, 41.5% like the extensive service coverage, 41.4% benefit from discounts, 35.1% prefer friendly couriers, and 34.2% believe their items are safer. Positive reviews influence 28.7%, while 19.4% choose regular services for adherence to health protocols, and 5.4% for emergency situations requiring quick delivery. The survey, conducted from August 24 to 28, 2021, included 4,590 respondents aged 17 and above with internet access, mostly from the middle socioeconomic class.

To identify key issues, a preliminary survey was conducted with 10 supervisors/managers from courier companies in Pademangan, North Jakarta. The survey found that incentive, discipline, and competence are the most significant factors affecting courier performance. Specifically, 100% agreed on discipline, 90% on incentives, and 90% on competence. Thus, discipline, incentives, and competence significantly impact courier performance in Pademangan, North Jakarta.

Discipline is crucial for achieving organizational goals and effective human resource management. Disciplined employees tend to perform better, while a lack of discipline can

hinder company performance (Dahlan et al., 2022). Discipline involves creating awareness among employees to complete their assigned tasks, and is not automatic but actively developed. High employee discipline, supported by skills and fair wages, enhances company activities. Incentives aim to boost employee motivation, achievement, and contribution (Pratama, 2021). Training aligned with employees' competencies is essential for organizational effectiveness. Competence, as defined by Heri & Andayani (2020), significantly impacts job performance and effectiveness. Employees should meet organizational standards to achieve outstanding performance.

Previous research by Mahmud (2019) found that adherence to work hours, an aspect of discipline, does not significantly affect courier performance. This suggests that couriers can maintain good performance despite irregular attendance. Research by Prayitno et al. (2020) and Saputri et al. (2021) shows that incentives do not significantly impact employee performance at a 5% significance level. Additionally, studies by Irmayanti et al. (2020) and Prayitno et al. (2020) indicate that individual competence also does not significantly affect courier performance. Despite these findings, other research suggests that discipline, incentives, and competence can positively impact performance. Therefore, further investigation is warranted.

In light of this background, the research questions are formulated to explore these dynamics: 1) Does work discipline affect courier performance? 2) Do incentives impact courier performance? 3) Does work competence influence courier performance?

METHODOLOGY

This study uses a quantitative method with a descriptive approach, involving data collection through surveys. Based on positivist philosophy, which posits that phenomena can be objectively classified, measured, and observed (Sugiyono, 2019), data were collected via an online questionnaire distributed through Google Forms. A Likert scale was employed to measure respondents' attitudes, opinions, and perceptions.

Table 1. Definition of Operasional Variable

No	Variable	Indicator
1	Courier Performance (Y) (Aziz & Dewanto, 2022)	1. Tidiness 2. Precision 3. Work Results 4. Speed 5. Capability 6. Decision Making 7. Cohesion 8. Initiative
2	Work Dicipline (X_1) (Agustini & Dewi, 2019)	1. Attendance Level 2. Work Procedures 3. Compliance with Superiors 4. Work Awareness 5. Responsibility
3	Incentives (X_2) (Ardiansyah, 2021)	1. Bonus 2. Commission 3. Insurance 4. Leave Entitlements 5. Awards

4	Competency (X3) (Mulyasari, Rismansyah, & Usman, 2020)	1. Choice of Work Methods
		2. Possession of Cognitive Knowledge
		3. Behavior According to Social Status
		4. Personality Characteristics
		5. Attitude at Work

The population for this study comprises all couriers in Pademangan, North Jakarta. A sample, which is a representative subset of the population, was chosen based on Hair et al. (2021) guidelines, requiring at least 115 respondents for Structural Equation Modeling (SEM), calculated as 5 times the number of indicators in the questionnaire. Data were analyzed using Partial Least Squares (PLS), a method focusing on variance rather than covariance, and suitable for prediction rather than theory testing (Ghozali, 2019).

RESULTS AND DISCUSSION

In this study, data were collected using a questionnaire, which was distributed to 115 respondents with various characteristics such as gender, age, length of employment, and highest education level. The results of the descriptive analysis of the respondents are presented in Table 1.

Table 2. Responden Characteristics

No	Responden Characteristics	Frequency	Percentage %
1	**Gender**		
	Male	115	100,0
	Female	0	0
2	**Usia**		
	< 20 years	8	7,0
	20-30 years	80	69,6
	31-40 years	24	30,9
	41-50 years	3	2,6
	>50 years	0	0
3	**Length of Employment**		
	< 1 year	26	22,6
	1 year	12	10,4
	1-2 year	26	22,6
	3-4 year	18	15,7
	>4 year	33	28,7
4	**Education Level**		
	Elementary School	3	2,6
	Junior High School	6	5,2
	Senior High School	72	62,6
	D3	6	5,2
	S1	28	24,3
	S2	0	0
	Total	**115**	**100,0**

Based on the questionnaire instrument data and the pilot test, the variables "Work Discipline" with 5 items, "Incentives" with 5 items, "Competency" with 5 items, and "Courier Performance" with 8 items are validated and reliable, as their rcount>rtable and Cronbach's Alpha > 0.7. Therefore, the questionnaire can be distributed to respondents who meet the specified characteristics.

Based on the data obtained from the questionnaire summary, a primary SEM-PLS model with 23 items was constructed and evaluated for measurement. The PLS Algorithm process was then conducted to obtain Cronbach's Alpha, Composite Reliability, and AVE values. To obtain these values, several steps were required, including examining outer loadings to analyze Convergent Validity, as shown in Table 2. Each latent variable exceeded 0.7, thus meeting the criteria for Convergent Validity. The next step involves evaluating Discriminant Validity by examining cross-loading.

Table 2. Outer Loading Value

	Work Discipline	Incentives	Competency	Courier Performance
X1.1	0,939			
X1.2	0,958			
X1.3	0,848			
X1.4	0,851			
X1.5	0,915			
X2.1		0,968		
X2.2		0,954		
X2.3		0,744		
X2.4		0,928		
X2.5		0,848		
X3.1			0,971	
X3.2			0,981	
X3.3			0,990	
X3.4			0,997	
X3.5			0,958	
Y.1				0,966
Y.2				0,991
Y.3				0,961
Y.4				0,988
Y.5				0,913
Y.6				0,956
Y.7				0,914
Y.8				0,713

Table 3. Construct Validity and Reliability.

Variable	Cronbach Alpha	Composite Reliability	AVE
Incentive (X_2)	0,935	0,951	0,816
Work Dicipline (X_1)	0,943	0,957	0,796
Courier Performance (Y)	0,976	0,980	0,863
Competency (X_3)	0,989	0,992	0,959

Based on the values in Table 1, the main model meets the requirements. The Cronbach's Alpha for all latent variables is > 0.7, Composite Reliability is > 0.7, and AVE is > 0.5.

Table 4. T Statistic Result

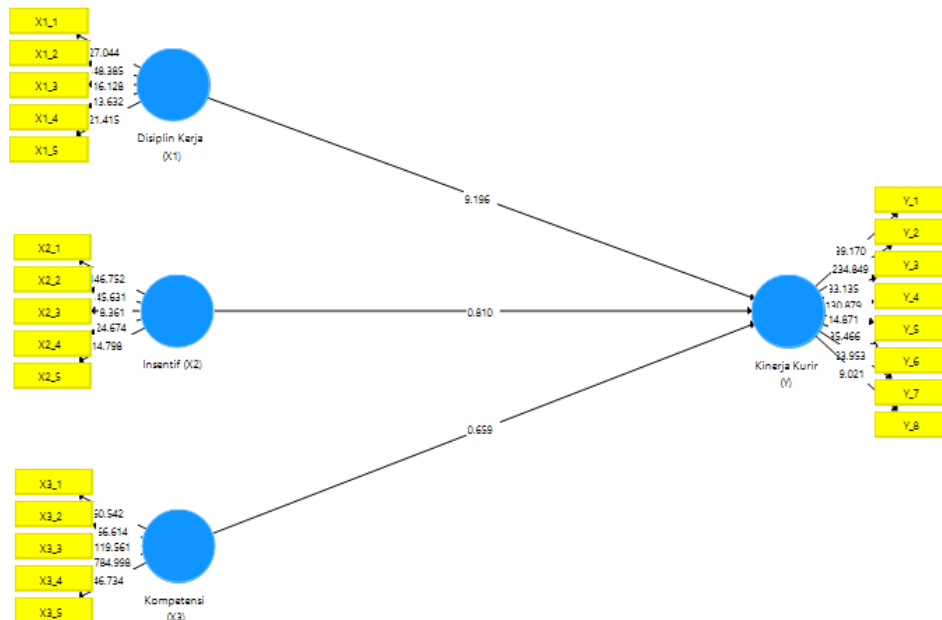| Original Sample (O)	Sample Mean (M)	Standard Deviation	T Statistics	P Values
X3 -> Y	0.033	0.028	0.046	0.712
X2 -> Y	0.073	0.070	0.092	0.798
X1 -> Y	0.815	0.820	0.092	8.845

Figure 3. SEM-PLS Model

To understand the structural relationships between latent variables, we need to test hypotheses about the path coefficients by comparing the p-value with the alpha value (0.005) or by checking if the t-statistic is greater than 1.96. The p-values and t-statistics are obtained from the SmartPLS output using the bootstrapping method.

Table 5. T Results of Hypothesis Testing

	T Statistic	P-Values	Result
X3 -> Y	0,712	0,477	Rejected
X2 -> Y	0,798	0,425	Rejected
X1 -> Y	8,845	0,000	Accepted

Based on Table 5, the hypothesis testing results indicate that the variable "Work Discipline" has a significant effect on "Courier Performance." This is evidenced by a P-Value of 0.000, which is less than 0.05, and a t-statistic of 8.845, which is greater than 1.96. Therefore, the null hypothesis (H0) is rejected, and the alternative hypothesis (H1) is accepted. Conversely, for the variable "Incentives," the P-Value is 0.425, which is greater than 0.05, and the t-statistic is 0.798, which is less than 1.96, indicating that Incentives do not significantly affect Courier Performance. As a result, the alternative hypothesis (H2) is rejected, and the null hypothesis (H0) is accepted. Similarly, for the variable "Competence," the P-Value is 0.477, which is also greater than 0.05, and the t-statistic is 0.712, which is less than 1.96, indicating that Competence does not significantly affect Courier Performance. Consequently, the alternative hypothesis (H3) is rejected, and the null hypothesis (H0) is accepted.

The analysis reveals that "Work Discipline" significantly impacts "Courier Performance," with a path coefficient of 0.815. This underscores the importance of work discipline in courier roles in Pademangan, North Jakarta. The statement "I comply with instructions given by my supervisor" (X1.3) received the highest agreement from respondents, indicating that adherence to supervisor instructions correlates strongly with improved courier performance. Similar findings were noted in recent studies, such as Pradana (2020) on banking employees, Setyawati (2021) on manufacturing workers, and Permata (2022) on service quality. These studies support a positive relationship between work discipline and worker performance. These insights suggest that improving work discipline through training and

effective supervision could enhance courier efficiency in Pademangan, aligning with the dynamic logistics demands of the area.

The data analysis indicates that "Incentives" do not significantly impact "Courier Performance," as evidenced by a low path coefficient. This contrasts with some previous studies, such as Anwar (2021), which found a positive effect of incentives on employee performance, and Permata (2023), which suggested excessive incentives might decrease long-term employee motivation. This discrepancy may stem from the unique characteristics of couriers in Pademangan.

Similarly, "Competence" does not significantly affect "Courier Performance" in this study. This contradicts findings from Rizal (2020), who highlighted a positive link between competence and employee performance. Recent studies like Novitasari (2021) and Rahmat (2022) also support the finding that increased competence does not always lead to better performance. These results raise questions about the relevance of competence development strategies for couriers in Pademangan. Companies should reassess their competency development programs, considering specific courier job characteristics and potentially adopting more tailored HR management approaches to optimize courier performance.

The R-square value of 0.809 indicates that the three independent variables explain 80.9% of the variance in courier performance, leaving 19.1% unexplained by this model. Previous research, such as Anwar (2021) with an R-square of 0.67, recommended including additional variables like work motivation, and Wijaya (2022) with an R-square of 0.71 suggested adding leadership variables. Setyawati (2020) found that compensation and work environment explained 75% of performance variance, recommending further research to include additional independent variables like work motivation. For a more comprehensive understanding, future studies should incorporate relevant variables such as work motivation, workload, or others that may influence courier performance, enhancing the explanatory power of the model. Overall, this research provides initial insights into factors affecting courier performance in delivery services.

CONCLUSION

Based on the findings, the majority of respondents are male (100%) and aged 20-30 years (69.6%), with most having over 4 years of experience (28.7%) and a high school education (62.6%). Work discipline significantly impacts courier performance, while incentives and competence do not. It is recommended that the company re-evaluate its incentive and competency programs. The study explains 80.9% of the variation in courier performance, leaving 19.1% unexplained, suggesting the need for further research. To improve performance, the company should enhance supervision and implement a structured reward system. Future research should include additional variables like work motivation and workload to better understand performance factors.

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