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Employee Performance: The Effect of Work Motivation, Work Discipline, and Job Satisfaction at one of music companies in Indonesia

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Abstract

This research aims to investigate the variables that influence employee performance in PT XYZ Indonesia. This study is an associative quantitative research. The data were collected using questionnaires. The population of this research was 33 employees of PT XYZ in Jakarta, Indonesia. To select the sample size, census methodology was used. The respondents are active employee of PT XYZ. The data was analyzed using multiple linear regression analysis using SPSS software. The result showed that work motivation, work discipline, and job satisfaction simultaneously have significant effects on employee performance. While partially work motivation and job satisfaction do not have significant effects on employee performance and work discipline partially has significant effect on employee performance.

Keywords: Work Motivation, Work Discipline, Job Satisfaction, Employee Performance.

1. Introduction

Indonesian music industry once had triumphed in the 1990s, that is the time when the sales of music albums reached 77.5 million copies. Since entering 2000, the music industry continued to decline until now. Many recordings manufacturers began to collapse because of the consumer's behavior shift as an effect of technological sophistication. Nowadays young and adult consumers begin to leave the physical tape. One of music label companies in Indonesia, PT. XYZ also felt the dimness of conventional music industry. It affects the productivity and the profit of PT.XYZ but PT. XYZ feels the need to survive in the Indonesian music industry just like other music label companies. PT. XYZ is used in this research because the company did not give the author's permission to publish its name. The company provides music production and distribution services in Indonesia and has approximately 33 employees in general divided into several sections. PT. XYZ has a lot of recording labels since 1974. In 2016, an American multinational entertainment and record label conglomerate

© Authors. Terms and conditions of this work is licensed under a Creative Commons Attribution-NonCommercial-NoDerivatives 4.0 International License apply. Correspondence: Damar Aji Irawan, *Bina Nusantara University*. Email: damar.irawan@binus.ac.id

bought the catalogue of artists that already signed under the label of PT. XYZ. Besides doing the strategic business decision, a good employee performance is needed to survive in Indonesian music industry. In order for an employee to perform well so the companies would achieve good results, a good work discipline is needed. According to Priyono et. al (2016) discipline has a strong impact on an organization or company to achieve success in the pursuit of planned goals. Discipline also has a positive and significant impact on employee performance based on the research conducted by Mangkunegara and Waris (2015). Another research also stated that partially discipline affects employee performance (Parashakti and Ekhsan, 2020). The problems that PT. XYZ has towards discipline issue are lacking awareness in complying with company regulations and coming late to the workplace becomes a continuous habit because there is no serious punishment or disciplinary action.

Motivation has also an important role because employees who work with high motivation will be more enthusiastic and more effective in working (Mangkunegara and Octorend, 2015). The research conducted by Ali et. al (2016) also showed that motivation has a positive and significant impact on employee performance. It means that if employees are motivated, they will perform better than those who are not. Another research also stated that motivation could be a valuable tool to measure the job performance (Said et. al, 2015). Motivation could not occur from within employees unless there are external triggers (Singh and Tiwari, 2011). Previous research also mentioned that motivation affects employee performance partially (Parashakti and Ekhsan, 2020). Suardhita et. al (2020) also stated that work discipline affects employee performance. Motivating employees in the form of incentive, bonus, and else are one of the most significant factors. In the case of PT. XYZ, the company raised a question whether the salary can affect their employee performance. However, in reality, they cannot give good salary and bonuses hence it is possible that their employee needs are not satisfied.

Job satisfaction could be explained as positive feeling or attitudes that the employees have toward their work (Chahal et. al, 2013). Satisfaction of employees toward their work will make themselves more motivated in performing their duties (Mangkunegara and Octorend, 2015). Employee satisfaction affects the level of work attendance and a desire to change jobs or to leave the company, as well as the willingness to work. Job satisfaction is considered very important because if employees have high job satisfaction, they will be willing to work hard and enthusiastically to achieve optimal and higher productivity (Sinambela, 2012). According to Awan and Asghar (2014), job satisfaction has a positive and significant effect on employee performance, so if they feel satisfied about their job, then their performance will increase as well.

Based on the explanations above therefore this study aims to find out the effect of work motivation, work discipline, and job satisfaction towards employee performance at one of music companies in Indonesia.

2. Literature Review

Work Motivation

According to Robbins and Coulter (2012:458), Motivation is a process by which a person's efforts are energized, directed, and sustained toward achieving company's goals. This definition has three keys of elements: energy, direction, and persistence. Motivation drives an individual who are inspired, impassioned, and feels more courage to do activities with sincerity and happiness so that he/she will get a good result employee performance (Afandi, 2016:12). It can be concluded motivation is what drives an individual to do something without forces to reach his goals. Priyono and Marnis (2008:283-284) stated that there are intrinsic and extrinsic factors that will affect work motivation. Intrinsic motivation is workers awareness towards the importance of work implementation to meet their needs or to achieve a certain goal and provide hope in the future.

Extrinsic motivation is encouragement from outside the workers in the form of condition that required them to do their jobs to the fullest such as working for higher wage/ salary, position, power, praise, punishment, and others. According to Mangkunegara and Octorend (2015) there are five indicators of Work Motivation: psychological, safety, social, esteem, and self-actualization needs.

Work Discipline

According to Bohlander and Snell (2013:549) discipline is training that correct, molds, or perfects knowledge, attitudes, behavior, or conduct to help employees perform better so they conform to acceptable standards. Soesatyo (2016) stated that the discipline at work is the attitude of a person's readiness and willingness to adhere and to comply with regulatory norms in force in the vicinity. According to Mangkunegara and Octorend (2015) there are four indicators of work discipline: frequency of attendance, obedience at work, obedience in company's regulation, and work ethics.

Job Satisfaction

According to Sinambela (2012:301) stated that Employee's job satisfaction is something that is very important that every organization has to pay a close attention and it is related to employee's working performance. When employees feel satisfied with their job, they will have better performance and the quality of work that they do will also be better than when they're not satisfied. Therefore, it is important for a company to learn ways of increasing employee's satisfaction so that employees can have better performance at work and the company can achieve its goals. Greenberg and Baron (2003) stated that job satisfaction is a positive or negative attitude that workers have toward their job. This attitude will determine the result of their work. When employees have a positive attitude towards their job, they will have better performance and better result. But when employees have negative attitude towards their job, they will have lower performance and the work that they do will not be maximized. In conclusion, someone who is satisfied with his work will have more motivation, a sense of commitment with the organization he's engaging in and be more participated in everything he does so that he can keep improving his abilities to do challenges at work. Mangkunegara and Octorend (2015) said that there are four indicators of job satisfaction: satisfaction of wages, jobs, promotion, and supervisors.

Employee Performance

In Serdamayanti's (2011:260) point of view, performance is the outcome that is done by an employee which affects a management process of a company as a whole. The result of the work can be proven by giving concrete evidences and can be gauged by the company standard. According to Mangkuprawira and Hubeis (2007:153), employee performance is the result of a certain work process which has been planned before by the company and done by the designated employee. Robbins (2006:260) said that there are five indicators to gauge employee performance: quality of work, quantity of work, timeliness, effectiveness, and independent.

Research Framework

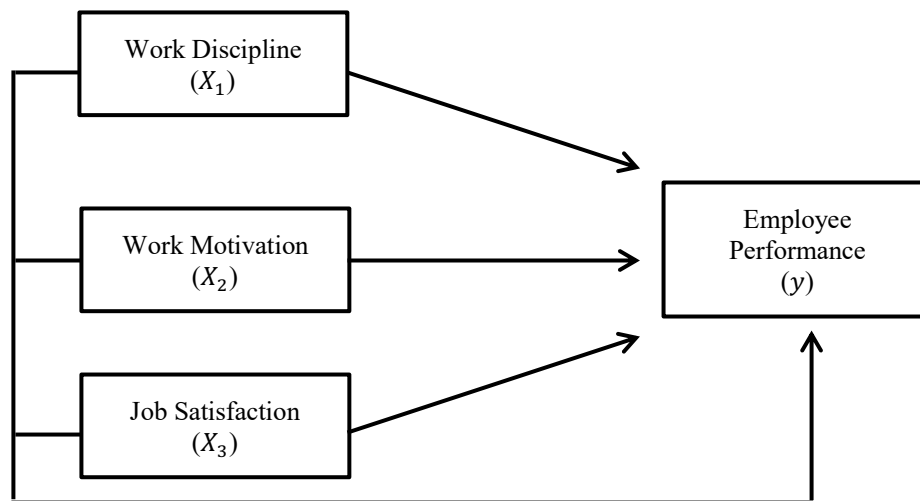


Figure 1. Research Framework

Hypothesis:

H1: Work Motivation has a partial and significant effect on Employee's Performance at PT. XYZ.

H2: Work Discipline has a partial and significant effect on Employee's Performance at PT. XYZ.

H3: Job Satisfaction has a partial and significant effect on Employee's Performance at PT. XYZ.

H4: Work Motivation, Discipline, Job Satisfaction simultaneously have a significant effect on Employee's Performance at PT. XYZ.

3. Methodology

In this study, associative quantitative research is used, which aims to determine the relationship between two or more variables. The primary data is taken from 33 employees of PT. XYZ. This research used census or total sampling meaning the sample equals to population. Writers used a 5-point Likert scale questionnaire related to Work Motivation, Work Discipline, Work Satisfaction and Employee's Performance. Moreover, in terms of the time horizon, the study was cross-sectional meaning that the data was conducted once by the writers in this research. To manage and analyze the data, the authors used SPSS software. Writers checked the result using Validity, Reliability, and Classical Assumption Test (Normality Test, Multicollinearity Test, and Heteroscedasticity Test). The results of the data should be valid, reliable, normal, and did not show any multicollinearity and heteroscedasticity problem so the writers can continue to process the data. Writers used Pearson Correlation Test to know the relationship between independent variable and dependent variable. Then, writers analyzed the data using Multiple Regression Analysis. For the Hypothesis Test, writers used T-Test and F-Test.

4. Result and Discussion

Respondent Profile

The number of respondents in this research is 33 employees. Characteristics of respondents in this study are divided into 4 sections: the characteristics of respondents by gender, age, last education and length of work.

Table 1. Respondent Profile

Gender	Number of Respondents	Age	Number of Respondents	Highest Level of Education	Number of Respondents	Length of Work	Number of Respondents
Male	21	24-33	7	High School	7	< 1 Year	2
Female	12	34-43	12	Diploma (D3)	9	1-5 Years	7
Total	33	44-53	6	Bachelor (S1)	16	6-10 Years	11
		>54	8	Master (S2)	1	> 10 Years	13
		Total	33	Total	33	Total	33

Validity Test

In this research, validity test is done to test the accuracy of questionnaire that has been given to 33 employees. This test used 95% level of confidence where the degree of freedom is 31 (n - 2). The data is valid if validity coefficient is greater than r table. The r table is calculated using SPSS and the value is 0.344. Table 2 showed the result of validity test.

Table 2. Validity Test

Variable	Items	Validity Coefficient	Decision
Work Motivation	WM1	0.793	Valid
	WM2	0.556	Valid
	WM3	0.582	Valid
	WM4	0.775	Valid
	WM5	0.387	Valid
Work Discipline	WD1	0.401	Valid
	WD2	0.692	Valid
	WD3	0.525	Valid
	WD4	0.576	Valid
Job Satisfaction	JS1	0.657	Valid
	JS2	0.738	Valid
	JS3	0.749	Valid
	JS4	0.621	Valid
Employee Performance	EP1	0.645	Valid
	EP2	0.555	Valid
	EP3	0.653	Valid
	EP4	0.462	Valid
	EP5	0.665	Valid

Reliability Test

The variable is considered reliable if the Cronbach alpha value is greater than 0.6. The result of reliability test could be seen in table 3.

Table 3. Reliability Test

Variable	Cronbach Alpha Value	Decision
Work Motivation	0.815	Reliable
Work Discipline	0.749	Reliable
Job Satisfaction	0.847	Reliable
Employee Performance	0.798	Reliable

Normality Tests

This research uses Shapiro Wilk test to check the normality. The value of sig. must be above 0.05 in order for the data to be considered normal. Table 4 showed the normality test result.

Table 4. Normality Test Result

Variable	Shapiro Wilk sig.	Decision
Work Motivation	0.354	Normal Distribution
Work Discipline	0.383	Normal Distribution
Job Satisfaction	0.076	Normal Distribution
Employee Performance	0.526	Normal Distribution

Multicollinearity Tests

To test multicollinearity, the tolerance value and variance inflation factor (VIF) is used. The tolerance value above 0.1 and the VIF value below 10 mean that there is no multicollinearity. The result is shown in table 5.

Table 5. Multicollinearity Test Result

Variable	Collinearity Statistic		Decision
	Tolerance Value	VIF	
Work Motivation	0.262	3.818	No Multicollinearity
Work Discipline	0.789	1.268	No Multicollinearity
Job Satisfaction	0.296	3.378	No Multicollinearity

Heteroscedasticity Test

The sig. value must be above 0.05 in order for heteroscedasticity does not occur. Table 6 showed the result of heteroscedasticity test.

Table 6. Heteroscedasticity Test Result

Variable	Sig.	Decision
Work Motivation	0.293	No Heteroscedasticity
Work Discipline	0.920	No Heteroscedasticity
Job Satisfaction	0.823	No Heteroscedasticity

Multiple Linier Regression Test

Sarjono and Julianita (2011: 91) stated that multiple regression analysis test is to see whether there is any influence of independent variables on dependent variable.

Table 7. Model Summary^b

R	R Square	Adjusted R Square	Std. error of estimate
.616 ^a	.380	.316	.48298

Based on the adjusted r square value on the table 7 above, 31.6% of employee’s performance variable is influenced by work motivation, work discipline, job satisfaction and 68.4% influenced by other variables that not investigated in this research.

Hypothesis Test

T-test and F-test are used to test the research hypothesis.

Table 8. T-Test

Variables	T test	Sig.	Results
Work Motivation → Employee Performance	1,287	,208	Not Significant
Work Discipline → Employee Performance	2,411	,022	Significant
Job Satisfaction → Employee Performance	-,196	,846	Not Significant

Based on the table 8 above, work discipline partially has significant effect on employee performance. The result is similar to Pawirosumarto et. al. (2017), which stated that discipline has the most powerful influence on employee’s performance. Therefore, it needs special attention. According to the questionnaire given, the highest indicator lays in number 2 with a statement “I always obey the procedures that are given at work” employees at this time have been following procedures and rules that are given by the company very well. But PT. XYZ needs to increase the working discipline from looking through the questionnaire result writers found that the statement number 1 that states “I always arrived on time” have the lowest score which means that the majority of employees in PT. XYZ don’t really agree with that statement.

Work motivation partially does not have significant effect on employee performance. The result of this research is different from the previous research conducted by Parashakti and Ekhsan (2020) but similar with the research conducted by Febiningtyas and Ekaningtias (2014). There are many ways to motivate employees. According to Nohria et. al (2008), the company could create reward and performance management system, build good company culture, and also design jobs that are meaningful and have important roles in an organization. Based on the result of the questionnaire, the highest indicator is placed in number 3 with a statement “I am motivated because the communication in the workplace, between me and my peers, goes well” employees need to feel their relationship with

their working peers to go well so that they can feel motivated by their surroundings. Based on the profile of the respondents the people who works are mostly have worked for more than 5 to 10 years. The youngest employees are in the age of 24-33 and the oldest as > 54. Employees who work at PT. XYZ already feel comfortable to work at PT. XYZ because they already liked their working environment and working peers. Looking through the average results on all off the employees' motivation variable, can be found that statement number 1 that says "I am motivated because the salary that I get can satisfy my needs and my life style" have the lowest average of value which means that the majority of employees don't really agree with that statement. Most of the employees feel the salary that they get from PT. XYZ is not enough to satisfy their needs and lifestyle. According to the result of the research, even though the Work Motivation is low, it does not affect employee's performance. Employees understands that the condition of the company hasn't been doing so well and makes it impossible to give them a raise in salary and to give out bonuses that can satisfies their lifestyle. The result of the characteristics of Respondents by Age indicated that most people who work at PT. XYZ are already near their retirement age. They don't feel the urge to find another job because they are already settled down with their career and life. Despites PT. XYZ condition, employees still work as best as they can so that the condition of the company will get better.

The T test in table 3 also showed that job satisfaction partially does not have significant effect on employee performance. The result is different with the previous research (Awan and Asghar, 2014; Khan et. al, 2012) but similar with Subakti (2013) research. According to the questionnaire, it can be found that the highest indicator lays on number 3 with a statement that says, "I feel satisfied because I have a good relationship with other employees at work" employees feel that the communications in their working environment are good enough between each individual. Based on the profile of the respondents the people who works are mostly have worked for more than 5 to 10 years. The youngest employees are in the age of 24-33 and the oldest as > 54. Employees who work at PT. XYZ already feel comfortable to work at PT. XYZ because they already liked their working peers, having a good relation between peers at work that makes people feel comfortable and stay to work at PT. XYZ for many years. But it is important to increase employee's job satisfaction from looking at the questionnaire results writers found that statement number 1 "I feel satisfied because the salary that I get equals with the work that I do" is the lowest average, it means that the majority of employees in PT. XYZ don't really agree with that statement. Employees feel the salary that they earn does not equal with the work given by the company. According to the result of this research, even though the job satisfaction is low, it does not have an effect on employee's performance. Employee understands that the condition of the company makes it impossible for them to have a promotion and a raise in salary. Despites of the condition of the company, employees are still willing to take an extra job at work so that the company can run its activities as best as it can even though the number of their employees low.

Table 9. F Test

	Adj. R Square	F test	Sig.	Results
Independent Variable: Job Satisfaction, Work Discipline, Work Motivation Dependent Variable: Employee Performance	,316	5,922	,003	Significant

Sig. value on table 9 is 0.003, it is less than 0.05, and hence there is a simultaneous effect between work motivation, work discipline, job satisfaction and employee's performance. The result is consistent with the previous research (Mangkunegara and Octorend, 2015) indicating that there is significant effect of work motivation, work discipline, and job satisfaction toward employee performance.

5. Conclusion

To conclude, this study shows that there is a significant effect between work motivation, work discipline, job satisfaction and employee's performance. 31.6% of employee's performance is influenced by work motivation, work discipline, and job satisfaction while 68.4% is influenced by other variables that are not investigated in this research. Due to the fact that work discipline has the most powerful influence followed by work motivation and PT. XYZ has not applied disciplinary action toward the employees that come late and does not comply with company rules writers suggest PT. XYZ to take one. The findings also answered PT XYZ' questions on whether the salary can affect their employee performance. Work motivation is the second most powerful variable. Therefore, the company should create reward and performance management system to enhance their employee's performance.

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