Conference Paper

The Impact of Leadership, Motivation and Discipline on Employee Performance (a Study on Employees of PT Surabaya Marine)

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Abstract
This purpose of this study was to determine the effect of leadership, motivation and discipline on employee performance. The independent variables were leadership (X1), motivation (X1) and discipline (X3). The dependent variable was employee performance (Y). This was explanatory research with a quantitative approach. The study was conducted at PT Surabaya Marine with employees. Data analysis was carried out through multiple linear regression analysis with the F test and t test. Employee performance was strongly influenced by leadership, motivation and discipline.

Keywords: Leadership, Motivation, Discipline, Employee Performance

1. Introduction

In Indonesia, family business is one of the biggest business opportunities (Halim, 2017:1). “For the first time, American auditing firm Price Waterhouse Cooper (PwC), conducted a survey on family business in Indonesia. The result of the survey shows that 95% of firms in Indonesia are family business” (CNN Indonesia, 2014). However, fact shows that not all family businesses can survive for more than three generation. There are several factors that contribute to the failure of family business, one of which is authoritative leadership that often leads to non-strategic regulation due to neglecting various critiques and suggestions. This type of leadership often results in the firm failing to anticipate the complexity of the business in the long run.

PT. Surabaya Marine is one of the family businesses in Indonesia that was founded on the year 2011 as marine consultant. In year 2013, PT. Surabaya Marine started innovating by creating aluminium boat builder, marine equipment manufacture and contractor shipbuilding products. PT. Surabaya Marine started expanding well to become a business firm in the maritime industry up until now. High employee performance is expected
of this company. According to Simamora in Mangkunegara (2009) the performance of an individual or a group is affected by three factors, which are; (a) individual factors consisting of: capability and expertise, background, demography. (b) psychological factor: perception, attitude, personality, learning, motivation. (c) organizational factor: resources, leadership, appreciation, structure and job design.

To avoid the ruin of a family firm, PT. Surabaya Marine needs to have the right leadership style. A leader needs to implement certain leadership style to manage his/her subordinates, because a leader will really affect the success of an organization in achieving its goals (Waridin and Guritno, 2005). By choosing the right leadership style, it is expected to minimize the probability of failure and can maximize employee's performance in PT. Surabaya Marine.

2. Literature Review

There are several permanent employees that are late or are frequently taking leave of absence or are truant when they feel the deadline and project are starting to be more lenient. Therefore, the researcher would like to study the impact of leadership, motivation and discipline on employee's performance.

Research Question Formulation

1. Does leadership have impact on employee's performance in PT. Surabaya Marine?
2. Does motivation have impact on employee's performance in PT. Surabaya Marine?
3. Does discipline have impact on employee's performance in PT. Surabaya Marine?

2.1. Theoretical Background:

1. Leadership is the behavioral pattern in one process that directs and controls and affect another person to achieve certain goals.

2. Motivation is an internal factor to arouse individual's interest towards certain activities or jobs.

3. Discipline is an individual's consciousness in obeying the applicable rules and norms

4. Performance is the comparison of the result achieved by the employees with the standards set for them
2.2. Previous Studies:

1. Reza (2010) is used as reference since the topic of the research corresponds to the topic of this research and can therefore be used as reference.

2. Uddin, Luva and Hossain (2013) is used as a reference since the variables and topic corresponds to this research.

3. Turang, Kindangen and Tumiwa (2015), the topic of aforementioned research is used as reference since it corresponds to the topic studied in this research

4. Tengtarto (2017) the topic of aforementioned research matched the topic studied by researcher and can therefore be used as reference.

5. Mohamed, Datche and Kisingu (2018) is used as a reference due to the matching topic.

3. Research Methodology

The type of research used in this study is explanatory methodology with quantitative approach. The research was conducted by the researcher in order to explain the impact of Leadership, Motivation and Discipline on Employee’s Performance in PT. Surabaya Marine. There are three independent variables in this study, which are Leadership, Motivation and Discipline variables. The dependent variable in this study is Employee’s Performance.

In order to measure the impact of Leadership, Motivation and Discipline on Employee’s Performance, likert scale is used. The population of this study is employees of PT. Surabaya Marine, which are 80 employees in total, with 20 contract employees and 60 permanent employees. Sampling technique was not used in this research, since the sample studied is the overall population, or is known as cencus. The data source used in this study is primary data source, which is through sources that can directly provide data to the researcher.

This research uses a tool or instrument, which is in the form of questionnaire consisting list of written questions and statements, arranged in a structural manner and distributed to the respondents to be filled with the information required, which was then used as data to be processed. In this research, multiple regression analysis was used to prove the extent of the impact of Leadership, Motivation and Discipline on Employee’s Performance in PT. Surabaya Marine.
4. Results and Discussion

In this research, judging by the respondents’ characteristics in terms of gender, then it’s dominated by male respondents with percentage of 61.7% and female respondents taking up 38.3%. This domination of male respondents is due to the large amount of male employees working in PT Surabaya Marine. This is because the type of jobs in PT Surabaya Marine are more commonly taken by male.

In terms of the age, 23-35 years old takes up the majority with percentage of 40%, less than 25 years old takes up 30%, 36-45 years old takes up 16.7% and the lowest being 46-55 years old taking up 13.3%. Employees aged 25-35 years old occupy the highest percentage and is more dominant compared to other age groups, since in terms of hiring, it is prioritized to hire those <35 years old.

Based on the result of the test, it shows that the three variables have significant impact. This can be seen from the result of the test between Leadership variable (X1) with Employee Performance (Y), that yields significance value t of 0.000 < alpha 0.05, and therefore H0 is rejected and H1 is accepted. Therefore, it can be concluded that Leadership partially (individually) has significant impact on Employee Performance. The result of the test between the variables Motivation (X2) and Employee Performance (Y) yields significance value t of 0.000< alpha 0.05, and therefore H0 is rejected and H1 is accepted. Therefore, it can be concluded that Motivation partially (individually) has significant impact on Employee Performance. Lastly, the result of the test between the variables Discipline (X3) and Employee Performance (Y) yields significance value t of < alpha 0.05, and therefore H0 is rejected and H1 is accepted. Therefore, it can be concluded that Discipline partially (individually) has significant impact on Employee Performance.

5. Conclusion

The aim of this research is to analyze the impact of Leadership, Motivation and Discipline towards Employee Performance (Survey on Employees of PT. Surabaya Marine). From the analysis explained above, based on statistical test results, it can be seen clearly that simultaneously (together) the independent variables have significant impact on the dependent variable. This can be concluded from the F test result that yields significance value of 0.000, which is smaller than alpha 0.05. Based on this result, it can be concluded that Leadership (X1), Motivation (X2), and Discipline (X3) have impact simultaneously on Employee Performance variable (Y).
In terms of partial or t-test, Leadership (X1) has Sig. value of 0.000, motivation variable (X2) has sig value of 0.000, and Discipline (X3) has sig. value of 0.000, partially (individually) smaller than the alpha value of 0.05. Therefore, it can be concluded from the study using t-test, that Leadership variable (X1) has significant impact on Employee Performance (Y) due to the sig value being smaller than the alpha value of 0.05, and that Motivation variable (X2) has significant impact on Employee Performance (Y). As for Discipline (X3), it has significant impact towards Employee Performance (Y) since the sig value is smaller than alpha value of 0.05. Based on the research conclusions stated above, there are several suggestions for future studies, which are:

1. To further develop the depth of this research in terms of the impact of leadership, motivation and discipline towards employee performance in PT. Surabaya Marine
2. To conduct research on the impact of leadership, motivation and discipline towards employee performance in PT Surabaya Marine using other methods.
3. To further develop the research to act on other achievements to motivate employee’s performance.
4. It would be better for PT Surabaya Marine to make regulation regarding periodical trainings for its employees to improve employee’s performance.

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