Achievement And Reward on Employees’ Discipline and Performance

Abstract

The present research examines the intermediary function of employee discipline concerning task performance. This study investigates the impact of achievement motivation and incentives on the work discipline of employees. The researcher employed a survey research methodology involving a sample of 100 employees working in the construction industry in Bandung. The study used the Partial Least Squares methodology for data analysis to establish the interrelationships among the variables under investigation. The analysis findings indicate a considerable influence of achievement motivation and incentives on work ethics, which consequently bears relevance for task execution. The findings suggest that organizations can enhance operational efficiency by cultivating a conducive work atmosphere and reinforcing employee competencies and drive.

Keywords: Achievement, Motivation, Discipline, Performance.

Introduction

The convergence of organizational behavior and human resources in management is frequently associated with an organization’s need to generate innovative results, whether in the form of products or processes. (León García & Madinabeitia, 2023; Ramadan et al., 2022) The development of innovative elements within an organization heavily relies on the involvement of human resources, whose contribution plays a crucial role in enhancing the organization’s competitiveness. (Chen et al., 2021; Montani et al., 2020; Sidharta et al., 2019) When appropriately managed, the administration of human resources can result in exceptional performance levels. (Hamadamin & Atan, 2019)

Effective management of an organization’s human resources can lead to a direct enhancement in individual performance, ultimately resulting in an elevation of the organization’s overall performance. (J. H. Coun et al., 2022) Nonetheless, frequently, the implementation needs to meet this standard. As an illustration, a preliminary survey conducted with a sample size of 30 employees revealed a deficiency in their work objectives, suggesting a situation where employee productivity has yet to reach its maximum potential.

This situation conveys unambiguous indications that the employees’ performance falls short of the established work quality standards of the organization. The underlying cause of this discrepancy in productivity is believed to stem from the employees’ inability to leverage their optimal performance effectively. Moreover, the apparent disregard for fulfilling tasks and the short drive to attain optimal performance exacerbate the issue. Inadequate employee performance is discernible when examining tasks requiring proficiency, expertise, and drive. The
level of responsibility employees assume and the resulting work outcomes still need to attain the specified optimal standards. Even so, attaining peak performance continues to be an essential means of accomplishing the organization’s goals. The drive to achieve excellence plays a significant role in guiding individuals toward the conscientious and purposeful fulfillment of their tasks. This aspect underscores that employee motivation can engender a robust dedication to executing tasks with utmost proficiency. Concurrently, remuneration or incentives are pivotal factors in augmenting employee productivity.

The incentives that employees receive based on their performance can serve as a motivating factor for them. (Perkins, 2018) There is a positive correlation between employees’ compensation level and their motivation to work. (Manzoor et al., 2021; Park & Conroy, 2022) As time progresses, it becomes increasingly evident that human resources and organizational management are crucial in promoting innovation and enhancing an organization’s competitive advantage. (Miao & Cao, 2019; Montani et al., 2020)

By implementing effective management strategies and fostering a positive work ethic, employees can achieve elevated levels of job performance, ultimately resulting in an overall improvement in the organization’s performance. (Kubiak, 2022; Lee et al., 2019; Shahbaz & Parker, 2022) Nevertheless, it is often the case that employee performance needs to reach its maximum potential. It is imperative to understand the factors contributing to decreased work productivity within this particular context and to develop efficacious strategies to mitigate these obstacles.

Organizations can achieve their objectives and improve employee performance by augmenting their workforce’s knowledge and skills while enhancing their work motivation. (Manik & Sidharta, 2017) Furthermore, by providing equitable remuneration or incentives, organizations can motivate their workforce to increase their efforts and output. (Park & Conroy, 2022)

Organizations must cultivate a favorable work atmosphere that promotes employee appreciation and motivates them to achieve elevated levels of work performance. (Shahbaz & Parker, 2022) Hence, entities can leverage the complete capabilities of their workforce and attain their objectives with greater efficiency and efficacy. (Hamadamin & Atan, 2019)

The discourse emphasizes the convergence of human resources and organizational behavior within the management realm and highlights the role played by these components in fostering innovation within the organization. Upon further examination of the underlying mechanisms, it becomes apparent that the interplay between motivation, task completion, and incentive frameworks can facilitate enhanced levels of employee productivity. The amalgamation of these constituents, coupled with a comprehension of the determinants that lead to inefficiencies in productivity, can furnish a strategic plan for attaining organizational goals with greater efficiency.

**Method**
The present study employs a quantitative methodology, specifically a causal research design. This methodology aims to scrutinize the interrelationships among variables and ascertain the direct and indirect impacts of a group of autonomous variables on the dependent variable. The present study employs a cross-sectional design, whereby data is gathered through direct empirical observation from a specific location, a subset of the population, or a sample of participants to ascertain their perspectives on the object of inquiry. The study’s sample comprises 100 individuals employed in the construction industry in Bandung.

The study employs achievement motivation as the primary variable, operationalized through indicators such as good performance, goal attainment, problem-solving, challenging tasks, and developing work methods, as per the research problem formulation. Indicators of bonuses and incentives provided accompany rewards. Implementing disciplinary measures incorporating attendance and punctuality indicators is a crucial aspect of maintaining order and accountability within an academic or professional setting. The study examines task performance concerning work targets, workload volume, and escalation.

Evaluating the accuracy and consistency of instruments is known as instrument data testing. The rationale behind instrument data testing lies in the susceptibility of data collected through questionnaires, which serve as data collection instruments, to be invalid or unreliable. The present investigation employs a nonparametric methodology known as partial least squares for data analysis.

This research methodology is anticipated to yield a more profound comprehension of the interrelationships among the scrutinized variables. The anticipated outcomes of this study are expected to contribute significantly to the advancement of the construction industry. Additionally, the results are expected to provide valuable insights for companies and employees concerning improving work performance and motivation.

Result and Discussion

The concept of validity pertains to the degree to which a given measuring instrument can accurately measure the construct it intends to measure. Validity testing is a valuable tool for assessing the accuracy of a measuring instrument’s performance. A measuring device that exhibits high validity indicates minimal error variance, thereby instilling confidence in the reliability of the collected data. After assessing the veracity of the assertions in the survey employed in this investigation, the subsequent phase entails testing reliability. Reliability is a metric that indicates the degree to which a measuring device can be deemed trustworthy or dependable. The term "reliability" describes the level of consistency that a measuring device exhibits in its capacity to measure a specific phenomenon. This study presents the constructs of validity and reliability for each indicator variable.

Table 1. The constructs of validity and reliability test
<table>
<thead>
<tr>
<th></th>
<th>Achievement</th>
<th>Rewards</th>
<th>Discipline</th>
<th>Task</th>
<th>Cronbach's Alpha</th>
<th>Average Variance Extracted (AVE)</th>
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<td>Arch1</td>
<td>0.740</td>
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</table>

The examination of the data indicates that the subsequent outcomes satisfy the established standards. Achievement motivation refers to the drive or desire to succeed, accomplish goals, and excel in one. The observed variables exhibit acceptable outer loading coefficients ranging from 0.663 to 0.795. The measure's reliability is indicated by Cronbach's Alpha coefficient, which has a value of 0.835. The reliability of the data is also demonstrated by the Average Variance Extracted (AVE), which has a value of 0.678. Rewards: The observed variables demonstrate outer loading values that are deemed valid, with a range of 0.627 to 0.844. The measure's reliability is indicated by Cronbach's Alpha coefficient, which has a value of 0.755. The obtained value of 0.580 for the Average Variance Extracted (AVE) indicates a satisfactory level of reliability. The topic of interest is the discipline of employees. The observed variables exhibit outer loading coefficients deemed valid, with values spanning from 0.637 to 0.913. The coefficient of Cronbach's Alpha exhibits a reliability of 0.860. The measure's reliability can be inferred from the Average Variance Extracted (AVE) value, which is reported to be 0.510. The variables exhibit valid external loading values ranging from 0.750 to 0.780, with task performance. The coefficient of Cronbach's Alpha indicates a level of reliability, which has been calculated to be 0.766. The statistical measure of Average Variance Extracted (AVE) indicates a level of reliability, with a recorded value of 0.587. To summarise, the results suggest that all variables satisfy the standards for both validity and reliability. (Hair et al., 2019; Shmueli et al., 2019)
Table 2. The results of path coefficients and R square

<table>
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<th>Path</th>
<th>Coefficients</th>
<th>P value</th>
<th>Result</th>
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</thead>
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<td>0.008</td>
<td>Support</td>
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<tr>
<td>Rewards -&gt; Discipline</td>
<td>0.504</td>
<td>0.000</td>
<td>Support</td>
</tr>
<tr>
<td>Discipline -&gt; Task Performance</td>
<td>0.681</td>
<td>0.000</td>
<td>Support</td>
</tr>
<tr>
<td>R Square</td>
<td>R Square Adjusted</td>
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</tr>
<tr>
<td>Discipline</td>
<td>0.421</td>
<td>0.416</td>
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<tr>
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<td>0.463</td>
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</tbody>
</table>

The data analysis revealed substantial effects, as depicted in Figure 1 and table 1. The study's findings indicate that the level of achievement motivation exhibited by employees has a notable effect on their discipline. Additionally, rewards offered to employees significantly impact their level of discipline. Furthermore, the study suggests that employee discipline is crucial in determining task performance. The results above underscore the favorable influence of achievement motivation and incentives on employee compliance, alongside the favorable influence of employee compliance on task execution.

![Figure 1. Test results](image)

The manifestation of employee performance becomes apparent when analyzing tasks that necessitate applying knowledge, skills, and motivation. Even so, it is evident that the employees still need to attain the designated optimum levels concerning assuming responsibilities and generating work outputs. However, attaining maximum efficiency continues to be a means of accomplishing the organization's goals.
The drive to achieve excellence is a significant factor in guiding individuals toward the conscientious and intentional completion of their tasks. This aspect underscores the notion that the motivation of employees can engender a robust dedication to executing tasks with utmost excellence. Concurrently, equitable remuneration or incentives are pivotal factors in augmenting employee productivity.

The incentives that employees receive based on their performance have the potential to serve as a motivating factor for them. There is a positive correlation between employee compensation and work motivation, such that higher compensation levels tend to result in increased motivation among employees. As time advances, the significance of human resources and organizational management in promoting innovation and enhancing the organization's competitive advantage becomes more apparent. (Cai et al., 2020; Davidscu et al., 2020; Hamouche, 2021)

Organizations can achieve their objectives and enhance employee performance by augmenting their workforce's knowledge and skills while reinforcing their work motivation. (Manik & Sidharta, 2017) Furthermore, through equitable remuneration or incentives, enterprises can motivate their personnel to exert tremendous effort and achieve enhanced productivity. (Perkins, 2018)

Organizations must cultivate a favorable work atmosphere that promotes a sense of worth among employees and motivates them to achieve optimal job performance. Therefore, by leveraging their human capital to the fullest extent, organizations can optimize their performance and attain their objectives more effectively.

Conclusion

The primary cause of the performance gap can be attributed to the employees' inability to effectively utilize their optimal performance, lack of accountability, and lack of motivation. Hence, it is imperative to comprehend the causative elements and devise efficacious remedies. The incentive to achieve excellence and suitable remuneration can be pivotal factors in enhancing employee productivity. Organizations can optimize their performance by creating a favorable work environment and bolstering employee skills and motivation. This approach enables them to fully leverage their resources and attain their objectives more efficiently and effectively.

Systematic training and development initiatives have the potential to augment the competencies, expertise, and proficiencies of personnel, thereby facilitating optimal job performance. The efficacy of performance management systems is contingent upon their robustness, fairness, and transparency, as these attributes are pivotal in accurately assessing and auguring individual and organizational performance. Establish channels for employee involvement in decision-making procedures, facilitate the submission of innovative ideas, and foster a sense of accountability among staff members towards their work. Employees actively involved in their work are inclined to exhibit higher motivation and productivity levels. It is imperative to ensure that the compensation packages offered by the organization are competitive and commensurate with the
employees’ efforts and contributions. This condition has the potential to enhance morale and motivation. Sustained enhancements in these domains necessitate persistent vigilance, constructive input, and adaptations.

References


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