# THE EFFECT OF PUNISHMENT AND EMPLOYEE DISCIPLINE ON EMPLOYEE WORK ACHIEVEMENT AT BANK SULUT TOMOHON

by: Vicaria Susana Salawati

Faculty of Economics and Business, International Business Administration (IBA) Program University of Sam Ratulangi Manado email: vicariasusana@gmail.com

#### **ABSTRACT**

One of the job performance aspects is about work achievement. This measurement is used common by every company to evaluate, either one or overall all employees productiveness in the company which is related with the company existence. Work achievement is something you really work hard to do it well and accomplishing it successfully. This research is conducted in Bank Sulut Tomohon. Research objectives are to know the effect of punishment and employee discipline on employee work achievement. This research uses causal type of research where it will investigate the influence of punishment and employee discipline on employee work achievement at Bank Sulut Tomohon. Using a multiple regression model to answer the research problem. The population observed is 45 employees that work In Bank Sulut Tomohon. Results and conclusions are the effect of punishment and employee discipline has not simultanously significant influence on employee work achievement but partially employee discipline have positive but not significant influence for employee work achievement at Bank Sulut Tomohon. Management Bank Sulut Tomohon should recruit capable and qualified employee to contribute the achievement of the company.

Keywords: work achievement, punishment, employee discipline

#### INTRODUCTION

# Research Background

A country's development is implemented gradually and aims to push the nation's ability in order to equalize the country with other countries that go forward. However, a country's development depends on human resource quality, that is on the employee organizations. Human resources development is reviewed from various establishments including education, training and personality. Human Resources evolved from personnel as the field moved beyond paying employees and managing employee benefits. The evolution made verbal the fact that people are an organization's most important resource. People are an asset that must be hired, satisfied, developed, and retained.

Punishment in organizations does exist. Some worker actions are so harmful and damaging that punishment should be used. But punishment can be combined with positive reinforcement, eliminating many of the undesirable side effects. If punishment is necessary, inform the punished person exactly what he or she may do to receive positive reinforcement. Offer alternative ways to behave, and specify the rewards. The crucial point is to explain the alternative good behaviors and their accompanying rewards.

Punishment is a term used in operant conditioning to refer to any change that occurs after a behavior that reduces the likelihood that behavior will occur again in the future. punishing employees only works rarely. Fear can act as a motivator, but for a punishment to get results, sanctions have to align with the employee's attitude and perceptions. What the employer takes away must be valued or what the manager threatens must tap into a true fear. The employee also has to respect the manager's right to mete out punishment and believe that imposed consequences fit his offence. Without all of these conditions in place, people do not respond positively

to punishment. Rather, they resort to resentment and retaliation, which does not help with anyone's productivity. An employee who has a high ability is a person who has good self discipline. This kind of employee follows the organization is rules and realizes his/her existence in the organization. This existence in an organization can create rights and duties for every employee. Hill (2003) defined employee discipline as the regulations or conditions that are imposed on employees by management in order to either correct or prevent behaviors that are detrimental to an organization.

The one function of Human Resource Management is to discipline. Discipline is an activity done by Human Resource department to correct a subordinate because a rule or procedure has been violated. It is a necessary part in Human Resource department because it can contribute to the result of work quality performed by the employee company. Every company has to implement discipline do their employees will have a good job performance in their organization. One of the job performance aspects is about work achievement. This measurement is used common by every company to evaluate, either one or overall all employees productiveness in the company, which is related with the company existence.

# **Research Objectives**

The objectives of this research are:

- 1. The effect of punishment and employee discipline simultaneously on employee work achievement at Bank Sulut Tomohon
- 2. The effect of punishment on employee work achievement at Bank Sulut Tomohon.
- 3. The effect of employee discipline on employee work achievement at Bank Sulut Tomohon.

### THEORETICAL REVIEW

#### **Work Achievement**

Dyck and Neubert (2009:450) defined most people motivation research has long considered human motivation needs. However, isolating people's motivational needs can be a difficult process because most people are not explicitly aware of what their motives are. Experimental work identified sets of motivators present to varying degrees in different people. He proposed that these needs were socially acquired or learned. That is, the extent to which these motivators are present varies from person to person, and depends on the individual and his or her background. McClelland (1961:238) and his associates were looking for revolved around the following motivators: achievement, affiliation and power. Regardless of culture or gender, people are driven by three motives:

- 1. Achievement
- 2. Affiliation
- 3. Power

# FAKULTAS EKONOMI DAN BISNIS

## **Punishment**

Zaibert (2006) Punishment is the practice of imposing something unpleasant or aversive on a person, usually in response to disobedient or morally wrong behavior.

#### **Employee Discipline**

Monappa (2000:161) stated that discipline is very essential for a healthy industrial atmosphere and the achievement of organizational goals. Various disciplinary management mechanisms can be manipulated in the organization which includes positive and negative reinforcement of expected behavior in the organization. Wheeler (1976) notes that discipline is viewed from two dimensions, they are positive and negative discipline. Positive discipline implies discipline without punishment. Negative discipline adheres to rules and regulations in fear of punishment which may be in form of fines, penalties, demotions or transfers. Discipline is broader than punishment as it attempts to decrease unwanted behavior not only through consequences (like punishment), but also by education (Guffey & Helms, 2001).

#### **Previous Research**

Zubir, et al. (2013) discussed about the effect of supervision, discipline and compensation on the effectiveness of employee DPKKA aceh province. The object of study is restricted only to the control variables of supervision, work discipline and compensation can influence the work effectiveness. The analysis method used is quantitative method. The results show evidence that the supervision, discipline and compensation work either simultaneously or partially significantly influence the effectiveness of the Financial Management Service employee working and Wealth Aceh. Wilman (2013) examined the effect of work environment and work discipline of employee work achievement at perhutani unit III west java and banten bandung. Result of this study is the work environment significantly influence the discipline of work. Working environment and labor discipline both simultaneously and partially significant effect on work achievement.

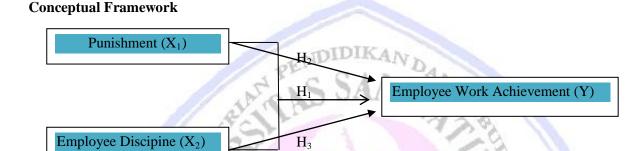


Figure 1. Conceptual Framework

Source: Theoretical Review

## **Research Hypotheses**

The hypotheses of this research are:

- H<sub>1</sub>: Punishment and employee discipline influence employee work achievement at Bank Sulut Tomohon simultaneously
- H<sub>2</sub>: Punishment influence employee work achievement at Bank Sulut Tomohon partially.
- H<sub>3</sub>: Employee discipline influence employee work achievement at Bank Sulut Tomohon partially.

# RESEARCH METHOD

#### **Types of Research**

This research uses causal type of research where it will investigate the influence of punishment and employee discipline on employee work achievement at Bank Sulut Tomohon.

#### **Place and Time of Research**

This study is conducted at Bank Sulut (Jl. Raya Tomohon, talete 1), Tomohon, North Sulawesi.

# **Population and Sample**

The population refers to the entire group of people, events, or things that researcher wishes to investigate (Sekaran & Bougie, 2009:262). The Population of this research are employee of Bank Sulut Tomohon. A sample is collection of an object in a research chosen from the population. For this research, simple random sampling was used, because the sample of research taken from 45 employees of Bank Sulut Tomohon.

### **Data Collection Method**

Data collected in this research consists of two types which are primary data and secondary data. The primary data was collected through questionnaires that were designed and prepared for the employee of Bank Sulut Tomohon. The secondary data was gathered from books, journals, and relevant literature from library and internet. The method of this research taken from primary data that is relevant with this research.

# **Data Analysis Method**

# Validity and Realibility

To analyze the validity of questionnaire, Pearson Product Moment is used. An instrument measure is valid if the instrument measure what ought to be measured. Validity for each variable is good where the values are above minimum level of 0.30. Reliability test is established by testing for both consistency and stability of the answer of questions. Alpha Cronbach is reliable coefficient that can indicate how good the items in asset have positive correltion one another (Sekaran and Bougie, 2009:262).

# **Classic Assumption**

## Multicollinearity

To assess multicollinearity, researchers can use tolerance or VIF, which build in the regressing of each independent on all the others. Even when multicollinarity is present, note that estimates of the importance of other variables in the equation (variable which are not collinear with others) are not affected.

## Heteroscedasticity

To test the residual of a regration that doesn't have variant constant from an observation to another observation. If the variant of a residual of an observation to another observations are different, then it's mentioned as heteroscedasticity. Good regression model is without heteroscedasticity. To detect it, can be done by seen if there's a certain pattern or not to the graphic plot(scatterplot). If the dots spread above and under the zero (0) at Y axis, so it's no heteroscedasticity.

#### **Normality**

In multiple linear regression models, the residual is assumed to be normally distributed. A residual is the difference between the observed and model-predicted values of the dependent variable. The residual for a given product is the observed value of the error term for that product.

DAN BISNIS

## **Multiple Regresion Analysis Models**

The method of analysis used in this study is multiple regression models to approach the return. Sekaran (2005:177) stated that multiple linear regression is used to find out the influence of independent variables on dependent variable. The formula of multiple linear regression is as follows:

$$Y = \alpha + b_1 X_1 + b_2 X_2 + e$$

Where:

b : Beta

 $\alpha$ : Alfa or constant

 $\epsilon$  : Error

Y : Employee Work Achievement

X<sub>1</sub> : Punishment

X<sub>2</sub> : Employee Discipline

#### **RESULT AND DISCUSSION**

#### Result

#### Validity and Realibility

To analyze the validity of questionnaire, Pearson Product Moment is used. An instrument measure is valid if the instrument measure what ought to be measured. Validity for each variable is good where the values are above minimum level of 0.30. Reliability test is established by testing for both consistency and stability of the answer of questions. Alpha Cronbach is reliable coefficient that can indicate how good the items in asset have positive correltion one another (Sekaran and Bougie, 2009:262).

## **Classic Assumption Test**

Table 1. Multicolinearity Test Table

|       |            | Collinearity<br>Statistics |       |  |
|-------|------------|----------------------------|-------|--|
| Model |            | Tolerance                  | VIF   |  |
| 1     | (constant) | ·                          |       |  |
|       | $X_1$      | .863                       | .863  |  |
|       | $X_2$      | 1.159                      | 1.159 |  |

Source: data processed, 2014

The VIF and tolerance, whereby if the value of VIF and tolerance to be around the number <10 the the regression model id from multicolinearity. Based on the results in the table above, it can be seen by SPSS output that multicollinearity does not occur because the symptoms of multicollinearity VIF value of Punishment  $(X_1)$ , Employee Discipline  $(X_2)$  is <10, this means that there is no connection between the independent variables. Thus, multicollinearity assumption is met (free of multicollinearity).

M RAZE

## Heteroscedasticity

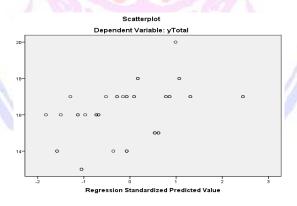


Figure 2. Heteroscedasticity Result Table

Source: SPSS Data Analysis

The figure shows that there is no established pattern, in other words the points describing the plot spread above and below the number 0 (zero) on the Y-axis. This proves that the model is free from heteroscesdasticity.

## **Normality**

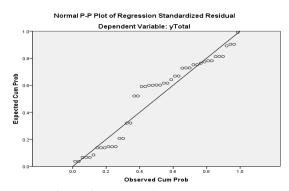


Figure 3. Normality Test Result

Source: SPSS Data Analysis

The figure shows that the data that represented by dots are spreading near the diagonal line and the spreading following the direction of diagonal line. This proves that the model is passing the normality test.

# **Multiple Regression Analysis**

Table 2. Multiple Regression Result

|                                       | Unstandardized<br>Coefficients |            | Standardized<br>Coefficients |  |
|---------------------------------------|--------------------------------|------------|------------------------------|--|
| Model                                 | В                              | Std. Error | Beta                         |  |
| 1(Constant)                           | 10.015                         | 2.185      |                              |  |
| Punishment (X <sub>1</sub> )          | .331                           | .127       | .392                         |  |
| Employee Discipline (X <sub>2</sub> ) | .050                           | .110       | .068                         |  |

a. Dependent Variable: Employee Work Achievement Source: data processed, 2014

The equation is as follows:

$$Y = 10.015 + 0.331 X_1 + 0.050 X_2$$

- 1. Constant value of 10.015 means that if the independent variables which are Punishment  $(X_1)$ , Employee Discipline  $(X_2)$  simultaneously increased by one scale or one unit, it will increase the Work Achievement (Y) at 10.015 point.
- 2. Coefficient value of 0.331 means that if the Punishment (X<sub>1</sub>) increased by one scale or one unit, it will increase the Work Achievement (Y) at 0.331 point.
- 3. Coefficient value of 0.050 means that if the Employee Discipline  $(X_2)$  increased by one scale or one unit, it will increase the Work Achievement (Y) at 0.050

Table 3. Table R and  $\mathbb{R}^2$ 

|       |       | w        |                      |                               |
|-------|-------|----------|----------------------|-------------------------------|
| Model | R     | R Square | Adjusted R<br>Square | Std. Error of the<br>Estimate |
| 1     | .422a | .178     | .139                 | 1.374                         |

a. Predictors: (Constant), Punishment, Employee Discipline *Source: data processed*, 2014

Table 2, (r) is equal to 0,422 or 42,2 % indicating that the independent variables punishment  $(X_1)$ , and employee discipline  $(X_2)$  and dependent variable employee work achievement at Bank Sulut Tomohon (Y) has

strong positive relationship. R Square is equal to 0.178 or 17,8%. It means that the effect of punishment and employee discipline on employee work achievement at bank sulu tomohon are 0.178 or 17,8 percent.

## **Hypothesis Testing**

Table 4. F-test Result

|   | Model                  | Sum of squares   | Df      | Mean Square    | F     | Sig.              |
|---|------------------------|------------------|---------|----------------|-------|-------------------|
| 1 | Regression<br>Residual | 17.196<br>79.249 | 2<br>42 | 8.598<br>1.887 | 4.557 | .016 <sup>a</sup> |
|   | Total                  | 96.444           | 44      | 1.007          |       |                   |

- a. Predictors: (Constant), Punishment  $(X_1)$ , Employee Discipline  $(X_2)$
- b. Dependent Variable: Work Achievement (Y)

Source: data processed, 2014

Table 5. t-test Result

|              | - TTVTT-                      |   |
|--------------|-------------------------------|---|
| t P          | Sig.                          | ANDAA   |
| 4.584        | .000                          | M D   |
| 2.605        | .013                          | 1110  |
| .455         | .652                          | 100   |
| yee Work Ach | nievement                     |   |
|              | 2.605<br>.455<br>yee Work Ach | 4.584 .000<br>2.605 .013<br>.455 .652<br>yee Work Achievement |

## The interpretation is as fpllows:

- 1.  $T_{count}$  for Punishment  $(X_1)$  is 2.605 which is greater than the value of  $T_{table}$  (2.000) means that Punishment (X<sub>1</sub>) has partially significant influence on Work Achievement (Y). The sig. value of 0.013 means that prediction of Punishment  $(X_1)$  influence on Work Achievement (Y)'s errors is 1.3%. Thus the confidence of this prediction is above 95%. Therefore, Hypothesis 1 is accepted.
- 2.  $T_{count}$  for Employee Discipline ( $X_2$ ) 0.455 less than the value of  $T_{table}$  (2.000) means that Employee Discipline  $(X_2)$  has not partially significant influence on Work Achievement (Y). The sig. value of 0.652 means that prediction of Employee Discipline ( $X_2$ ) has not influence on Work Achievement (Y)'s errors is 6.52%. Thus the confidence of this prediction is below 95%. Therefore, Hypothesis FAKULTAS EKONOMI is rejected.

## **Discussion**

In this research, the writer described the characteristics of the Employee in Bank Sulut, Tomohon as the respondents that were categorized based on gender, age, education, and period of work of the Employee. In this research Bank Sulut, Tomohon has a punishment and discipline system which is for all employee. The influence of Punishment and Employee Discipline to Employee Work Achievement at PT. Bank Sulut, Tomohon partially and simultaneously are proven by the interpreting data analysis given by the SPSS. The interpretation shows that all the variables have variant relationship and are supported by significance level.

DAN BISNIS

One of the job performance aspects is about work achievement. This measurement is used common by every company to evaluate, either one or overall all employees productiveness in the company which is related with the company existence. Work achievement is something you really work hard to do it well and accomplishing it successfully. Those individuals with a high need for achievement will pursue goals that they can reasonably expect to achieve and that will be rewarded or recognized as important (reinforced), Dyck and Neubert (2009:450).

Punishment in organizations does exist. Some worker actions are so harmful and damaging that punishment should be used. But punishment can be combined with positive reinforcement, eliminating many of the undesirable side effects.

Discipline is an activity done by Human Resource department to correct a subordinate because a rule or procedure has been violated. It is a necessary part in Human Resource department because it can contribute to the result of work quality performed by the employee company. Every company has to implement discipline do their employees will have a good job performance in their organization.

#### CONCLUSION AND RECOMMENDATION

#### Conclusion

This research's findings are concluded as follow:

- 1. Punishment and Employee Discipline not influence Work Achievement at Bank Sulut Tomohon simultaneously
- 2. Punishment influence Work Achievement at Bank Sulut Tomohon Partially.
- 3. Employee Discipline not influence Work Achievement at Bank Sulut Tomohon Partially.

### Recommendations

- 1. The management of PT. Bank Sulut, Tomohon have to keep maintaining the punishment and discipline, because it can increase in work achievement.
- 2. According to the result analysis punishment has partially significant influence on work achievement, it means not only the employee work achievement but also the company is work achievement. From the fact, suggest that the company should be very careful in recruiting new employees. They should recruit capable and qualified employee to contribute the achievement of the company.
- 3. All findings from this research for supporting or even completing other studies with similar or same concept, after necessary adjustments have been made.

### REFERENCES

Dick and Neubert., 2009. Principles of Management. Cengange Learning, China.

Guffey, c., & Helms, M. 2001. Effective employee discipline: A case of the Internal Revenue Service. *Journal of Public Personal Management*. Vol. 30, No. 1. Retrieved at <a href="http://ppm.sagepub.com/content/30/1/111.abstract">http://ppm.sagepub.com/content/30/1/111.abstract</a>. Accessed on August 14<sup>th</sup> 2014. Pp. 111-127

FAKULTAS EKONOMI

- Hill. R. 2003. *Employee Discipline in the Workplace: Procedures, Principle & Quiz*. Retrieved at <a href="http://education-portal.com/academy/lesson/employee-discipline-in-the-workplace-procedures-principle-quiz.html">http://education-portal.com/academy/lesson/employee-discipline-in-the-workplace-procedures-principle-quiz.html</a>. Accesed on September 4<sup>th</sup> 2014
- McClelland, D. 1961. *Motivation Needs Theory*. Retrieved at <a href="http://www.businessballs.com/davidmcclelland.htm">http://www.businessballs.com/davidmcclelland.htm</a>. Accesed on August 12<sup>th</sup> 2014. Pp.238
- Monappa A. 2000. *Management Challenges* for the Corporations of Tomorrow.SAGE Publications. Retrieved at <a href="http://www.sagepub.com/booksProdDesc.nac?prodId=Book224614">http://www.sagepub.com/booksProdDesc.nac?prodId=Book224614</a>. Pp.161
- Sekaran, U. 2005. Research Methods for Business: A Skill Building Approach (4th edition). John Wiley and Sons, New York.

- Sekaran, U. & Bougie, R. 2009. Research Methods for Business: A Skill Building Approach. 5th Edition. Wiley, United Kingdom
- Wheeler HN. 1976. Punishment theory and industrial discipline. *Industrial Relations*. Vol.15. Retrieved at <a href="http://onlinelibrary.wiley.com/doi/10.1111/j.1468232X.1976.tb01120.x/abstract">http://onlinelibrary.wiley.com/doi/10.1111/j.1468232X.1976.tb01120.x/abstract</a>. Accessed on September 8<sup>th</sup>. Pp.312
- Wilman., 2013. The Effect of Work Environment and Work Discipline of Employee Work\_Achievement. *Journal of Management*. Vol. 2, No. 4. Retrieved at <a href="http://elib.unikom.ac.id/files/disk1/606/jbptunikompp-gdl-wilmanyoga-30268-6-unikom\_w-t.pdf">http://elib.unikom.ac.id/files/disk1/606/jbptunikompp-gdl-wilmanyoga-30268-6-unikom\_w-t.pdf</a>. Accessed on August 17<sup>th</sup> 2014. Pp.25-29
- Zaibert., 2006. Punishment and Revenge. *Journal of Law and Philosopy*. Vol. 9, No. 4. Retrieved at <a href="http://minerva.union.edu/zaibertl/zaibertpunishmentandrevenge.pdf">http://minerva.union.edu/zaibertl/zaibertpunishmentandrevenge.pdf</a>. Accessed on september 3<sup>rd</sup> 2014. Pp. 81-118
- Zubir, S., Amri., and Saiful, B., 2012. Pengaruh Pengawasan, Disiplin Kerja, dan Kompensasi Terhadap Efektivitas Kerja Pegawai Dinas Pengengolaan Keuangan dan Kekayaan Aceh Provinsi Aceh. *Jurnal Management*. Vol. 1, No. 1. Retrieved at <a href="http://prodipps.unsyiah.ac.id/Jurnalmm/images/jurnal/2012/LAgusutus/2%281623%29zubir%20syahputra.pdf">http://prodipps.unsyiah.ac.id/Jurnalmm/images/jurnal/2012/LAgusutus/2%281623%29zubir%20syahputra.pdf</a>. Accesed on august 24<sup>th</sup> 2014. Pp.16-23

