

# THE INFLUENCE OF WORK MOTIVATION, WORK DISCIPLINE AND ORGANIZATIONAL CULTURE ON PERFORMANCE EMPLOYEES OF PT PUPUK ISKANDAR MUDA KRUENG GEUKUEH, DISTRICT NORTH ACEH

Nurkhaliza<sup>1\*</sup>, Khairawati<sup>2</sup>, Faisal Matriadi<sup>3</sup>, Likdanawati<sup>4</sup>

<sup>1,2,3,4</sup> Universitas Malikussaleh / Bukit Indah, Lhokseumawe

E-mail: [nurkhaliza.200410046@mhs.unimal.ac.id](mailto:nurkhaliza.200410046@mhs.unimal.ac.id), [khairawati@unimal.ac.id](mailto:khairawati@unimal.ac.id), [likdanawati@unimal.ac.id](mailto:likdanawati@unimal.ac.id)

Correspondence Author: [khairawati@unimal.ac.id](mailto:khairawati@unimal.ac.id)

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## Abstract

This study examines the influence of work motivation, work discipline, and organizational culture on the performance of employees of PT Pupuk Iskandar Muda (PIM) Krueng Geukueh, North Aceh. The decline in ammonia production in 2023 is the background of this study, which is thought to be influenced by low employee motivation and work discipline. The results of observations show dissatisfaction related to the lack of recognition of achievements, low time discipline and regulations, and incompatibility with organizational culture. The purpose of this study is to see the effect of work motivation, work discipline, and organizational culture on the performance of employees of PT Pupuk Iskandar Muda (PIM) Krueng Geukueh, North Aceh. The research method uses multiple linear regression analysis and also hypothesis testing using SPSS. The results of this study indicate that work motivation, work discipline, and organizational culture have a positive and significant effect on employee performance. Work motivation provided by superiors at PT Pupuk Iskandar Muda is proven to encourage employees to improve their performance. In addition, the implementation of good work discipline shows a significant contribution to employee performance, where discipline at work increases work effectiveness. Last but not least, a strong and positive organizational culture plays a major role in creating an environment that supports improved employee performance. The implication in this study is that increasing work motivation, work discipline, and organizational culture at PT Pupuk Iskandar Muda (PIM) can improve employee performance. Companies need to focus on strengthening motivation through rewards and recognition, consistent application of work discipline, and the development of a positive organizational culture to create an environment that supports work productivity and efficiency.

**Keywords:** *Work motivation, work discipline, organizational culture, employee performanc*

## INTRODUCTION

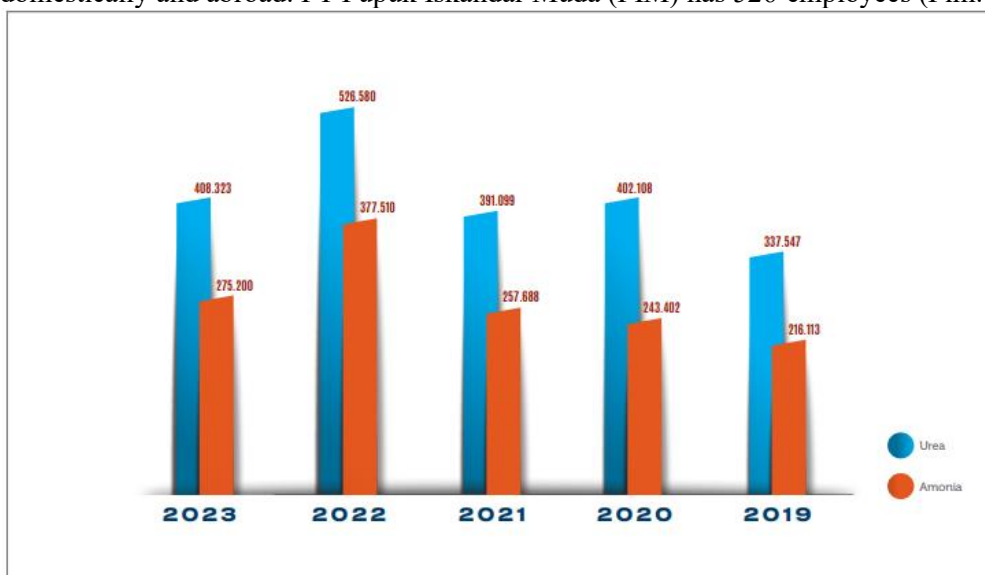
In the context of modern organizational dynamics, achieving predetermined goals and targets is a top priority for every organizational entity. In order for these goals to be realized, organizations need human resources (HR) who have the ability and competence to carry out their duties and responsibilities as well as possible. In this case, employees as individual components who actively participate in the organizational structure have a central role in determining the extent to which organizational goals can be achieved (Kome et al., 2024).

With the development of economic growth accompanied by technology and education, the actors involved in the economic, cultural and other fields can influence the organizational goals to be achieved in the future. Therefore, efforts must be made in facing external challenges by preparing competent and qualified human resources, it is necessary to monitor employee performance and provide supporting facilities to improve human resource performance. Performance can be defined as the process or result of work. The ability of employees is reflected in the quality of their performance, where optimal performance reflects good performance (Hutomo et al., 2020). In the era of global competition, companies are required to work more efficiently and effectively. Intensified competition forces companies to continue to increase competitiveness to ensure the sustainability of their business.

Employees are a crucial element in determining the success or failure of a company. To realize the company's goals, employees need to have synchronized competencies so that they can carry out their responsibilities using good tasks. Therefore, companies always try to improve the performance of their employees so that organizational goals can be achieved. Good employee capabilities are reflected in the optimal performance they produce (Ardiyanto & Pogo, 2020).

Employee performance reflects the role they play in the organization. Cashmere (2016: 189) states that the factors that affect employee performance include skills and abilities, knowledge, work schedules, personality, work motivation, management style, leadership, organizational culture, job satisfaction, work environment, loyalty, commitment, and discipline. Employee performance must be planned on an ongoing basis, because improving employee performance is not an instantaneous event, but requires a well-organized plan and action for a certain period of time (Sinambella, 2016).

PT Pupuk Iskandar Muda (PIM) is a subsidiary of PT Pupuk Indonesia (Persero). PT Pupuk Iskandar Muda (PIM) is engaged in industry, trade and services in the fields of fertilizers, petrochemicals and other chemicals. PT Pupuk Iskandar Muda (PIM) has an existing port with a design of 15,000 DWT and is used for product sales both domestically and abroad. PT Pupuk Iskandar Muda (PIM) has 526 employees (Pim.co.id, 2024).



Source: PIM annual report

Figure 1. 1 Fertilizer Production Growth

The graph shows the growth of Urea and Ammonia fertilizer production from 2019 to 2023. In 2019, Urea production reached 337,547 tons. The following year, in 2020, Urea production increased to 402,108 tons. However, in 2021, Urea production decreased slightly to 391,099 tons. A positive trend was again seen in 2022 with a significant increase, where Urea production reached 526,580 tons. However, in 2023, Urea production experienced a slight decline to 408,323 tons.

Meanwhile, Ammonia production in 2019 was at 216,113 tons. In 2020, Ammonia production increased to 243,402 tons. This increase continued in 2021 with production reaching 257,688 tons. The year 2022 recorded an even sharper increase, where Ammonia production reached 377,510 tons. However, in 2023, ammonia production decreased to 275,200 tons.

Overall, this graph shows that both Urea and Ammonia production experienced a significant increase in 2022 and a decrease in 2023. This change in production can be caused by various factors such as a decrease in employee productivity and employee performance. Company performance is reflected in the level of success in achieving the overall target, this is certainly influenced by the achievement of individual employee goals. If employees can achieve the goals that have been set, then the company can also achieve its goals.

Based on the results of observations and interviews with several employees of PT Pupuk Iskandar Muda (PIM), complaints were found related to employee performance problems. A number of employees showed behavior that indicated a lack of responsibility for the tasks assigned. This behavior can be seen from their tendency to avoid and delay the completion of tasks, which has the potential to harm the efficiency and performance of the company.

The phenomenon that occurs shows that the lack of employee motivation is caused by unmet needs in three main aspects: The need for power, the need for achievement, the need for affiliation. Employees feel that they are not given the opportunity to have a greater role or influence in the organization, which hinders the fulfillment of the need for power. In addition, employees are often not recognized or rewarded for their achievements, leaving their need for achievement unfulfilled. This reduces their drive to perform better as their efforts are not considered or appreciated. On the other hand, the lack of support and recognition from leaders also affects employees' relationships with coworkers and superiors, so the need for affiliation is not achieved. Overall, unsupportive leadership policies and inadequate compensation exacerbate this situation, creating a work environment that is not conducive to increasing employee motivation. This is supported by research conducted by Rahayu, (2018) on the relationship between motivation and employee performance at PT Pupuk Iskandar Muda (Persero) North Aceh district.

There is a tendency for some employees to arrive late and extend break times with non-work activities such as gathering and telling stories, which indicates a lack of discipline in several aspects. Non-compliance with the schedule indicates a problem with time discipline, where some employees are not fully consistent in fulfilling the set working hours. In addition, this behavior also reflects a lack of regulatory discipline, which is compliance with work rules, which serves to maintain the smooth and efficient operation of the company. However, this does not mean that all employees lack discipline, but this phenomenon is more visible in a small group of employees who may still need further encouragement or supervision. Work discipline in this case is a learning process that helps employees better realize the importance of responsibility at work, including the discipline of responsibility, which leads to an increase in their effectiveness in completing tasks on time and with good quality.

Some employees have difficulty adjusting to the existing organizational culture. They feel that their initiative is often not valued, and close supervision makes them less trusted to make their own decisions. Organizational culture reflects the values, beliefs, and ways in which organizational members solve problems. Open and transparent communication can strengthen team collaboration, allow for a smooth flow of information, and enhance the shared ability to solve problems. By building and strengthening these aspects, organizations not only create a healthy and productive work environment, but also build a strong foundation for long-term growth and sustainability. This is supported by Septiani's research, (2024) on the influence of organizational culture, organizational commitment and transformational leadership on the performance of employees of PT Pupuk Iskandar Muda, North Aceh district. The researcher's internship experience at PT Pupuk Iskandar Muda (PIM) put more insight into the impact of work motivation, work discipline, organizational culture on employee performance. During the internship, the researcher witnessed how a lack of motivation, discipline can have a significant impact in the overall performance of the team. This further confirms the importance of attention to organizational culture, managerial support on improving employee performance.

Based on this phenomenon, the author is interested in examining various issues related to employee performance, so that in this study, employee performance is determined as the main focus of the study. This research focuses on employee performance because measuring employee performance involving various supporting indicators can be used as a basis for developing employee performance in each activity. This increase in employee performance will encourage the achievement of the organization's vision, mission and goals. PT Pupuk Iskandar Muda (PIM) as a fertilizer producer, relies heavily on the performance of its employees to maintain production quality and quantity. Therefore, increasing employee motivation and discipline will directly contribute to a more efficient and productive production process. By strengthening a positive organizational culture, PT Pupuk Iskandar Muda (PIM) can ensure that fertilizer production continues to run smoothly and meet set standards, thus supporting the company's long-term growth and sustainability.

## **LITERATURE REVIEW**

### **Employee Performance**

Performance or work performance is understood as the result or overall level of a person's performance within a certain period of time, which is determined based on comparisons with various reference variables such as standards, goals, or employment standards that have been previously set and agreed upon. So it can be concluded that the success of an employee in his job can be seen from the indicator of whether the employee completes his duties on time according to predetermined procedures, or the employee completes his work duties always late from the predetermined schedule (Tri Yudha & Tajuddin, 2019). According to (Silaen et al., 2020) Employee performance is one of the important factors for an organization to achieve its goals, so it needs special attention by the managers of an organization. Employee performance can be concluded to refer to the results achieved by

employees quantitatively and qualitatively in carrying out their duties and responsibilities in accordance with the standards or goals set by the organization. Performance is also a measure of efficiency and effectiveness, often associated with productivity, and is a key factor in achieving organizational goals. According to Nurjaya, (2021) employee performance indicators consist of labor output, quality of work output, efficiency in carrying out tasks, work discipline, ability spontaneity, accuracy, leadership, honesty, and creativity.

### **Work Motivation**

Motivation is a drive or energy that can move the body and soul to do something (Purwanta & Nawangsari, 2018). Work motivation is what creates enthusiasm and desire to work among employees in an organization. Employees in an organization who are required to complete their tasks on schedule will improve their performance. Thus, it can be linked between work motivation and performance (Nursaid et al., 2022). Motivation is the reason for a person to complete their work to realize their goals. Etymologically motivation comes from English “motivation” which means strength or encouragement. Motivation theory is associated with employee performance in organizations (Kairupan, 2021).

Based on several definitions that have been explained, it can be concluded that motivation is an internal force or drive that arises from within a person, which influences and directs their behavior to achieve certain goals. Motivation can be in the form of biological, emotional, social, and cognitive drives that move a person to act consistently and efficiently to achieve the desired results. Indicators of work motivation according to (Oktadilah, 2021) consist of the need for power, the need for achievement, and the need for affiliation.

### **Work Discipline**

According to Farida & Hartono, (2016) Work discipline is defined as an attitude that shows compliance, respect, appreciation, and obedience to applicable regulations, both written and unwritten. In addition, they must be ready to run it and not avoid accepting consequences. Meanwhile, according to Sugianingrat & Sarmawa, (2020) Discipline is the attitude and willingness of individuals to comply with the rules and standards that apply in a particular environment. Employees who have high discipline will support the acceleration of achieving company goals, while the lack of discipline in employees can be an obstacle that slows down the achievement of these goals.

It can be concluded that work discipline is an attitude of obedience, respect, and obedience to applicable rules and standards, both written and unwritten, as well as a willingness to carry them out with full responsibility. Work discipline also involves mental attitudes and behaviors that are in accordance with the rules that apply in the organization to achieve common goals. Good work discipline contributes to the achievement of company goals and creates a productive and harmonious work environment. According to (Antika & Dwiridotjahjono, 2022) the indicators of work discipline consist of time discipline, regulatory discipline, and responsibility discipline.

### **Organizational Culture**

According to (W Enny, 2019) Organizational culture comes from habits, traditions, and common ways of working. Therefore, organizational culture is a perception shared by everyone in the organization. Employee behavior is usually influenced by organizational culture. As a result, when someone enters a company or organization, they will get used to the culture, customs, and habits that apply there (Henni, 2023). One definition of “organizational culture” is the standards set by an organization that help human resources carry out their duties and responsibilities. Organizational culture can be defined as a pattern of human resource behavior in an organization that is shaped by thoughts, behaviors, and perspectives that are instilled in the next generation (Sumartik et al., 2022).

It can be concluded that organizational culture is a set of values, beliefs, norms, and behaviors formed by various internal and external factors, which help guide the behavior and interactions of organizational members to achieve common goals. According to Fasha et al., (2019) indicators of organizational culture are initiative, supervision, management support, and communication patterns.

### **Conceptual Framework**

Based on the literature review, the phenomena described above, and the results of previous studies that have been found by these researchers as a basis for formulating hypotheses in helping researchers conduct research, a theoretical framework is made that will facilitate researchers in collecting research data. The conceptual framework is as follows:

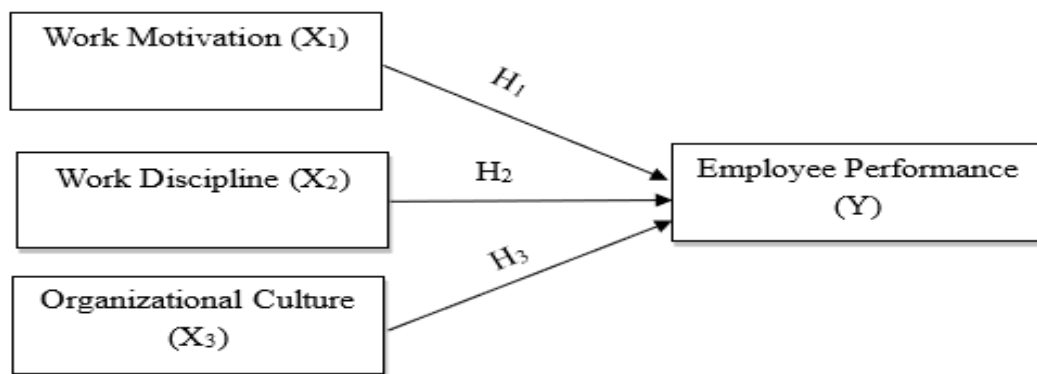


Figure: Conceptual Framework

### Hypothesis Development

Based on the background description, problem formulation, research review, and theoretical basis above, the hypotheses of this study can be formulated:

1. H1: Work motivation affects the performance of employees of PT Pupuk Iskandar Muda.
2. H2: Work discipline affects the performance of employees PT Pupuk Iskandar Muda.
3. H3: Organizational culture affects the performance of employees of PT Pupuk Iskandar Muda.

### METHOD

#### Location and Object of Research

The research location refers to the place or area that is the focus of observation in a study, which is characterized by the presence of actors, places, and activities that can be observed. This research was conducted at PT Pupuk Iskandar Muda (PIM) Krueng Geukueh, North Aceh Regency, which is located at Jl Medan - Banda Aceh PO. Box 021 North Aceh, Indonesia.

The object of this research is the employees of PT PIM Krueng Geukueh, which consists of various layers and job functions. This study aims to analyze and evaluate how work motivation, work discipline, and organizational culture affect employee performance and welfare. The focus of this research involves observation of the implementation of the company's operational activities related to these aspects, in order to gain a deeper understanding of the internal dynamics at PT PIM Krueng Geukueh, North Aceh Regency.

#### Operational Definition of Variables

Work motivation (X1) Work motivation is a complex process, influenced by various internal and external factors, which aims to improve individual performance and satisfaction in the work environment. Work discipline (X2) Work discipline is an individual's awareness to comply with the rules and norms that exist in the work environment, which has an impact on organizational performance and atmosphere. Organizational culture (X3) Organizational culture is a set of values, beliefs, norms, and behaviors formed by various internal and external factors, which help guide the behavior and interactions of organizational members to achieve common goals. Employee performance (Y) Performance is a reflection of how well employees carry out their duties and responsibilities in the context of achieving organizational goals.

#### Data Analysis Method

The method for testing hypotheses and analyzing data is to use Multiple Linear Regression from SPSS. The formula for multiple linear regression analysis models is as follows:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$$

Where:

Y = employee performance

$\alpha$  = Constant

$\beta_1, \beta_2, \beta_3, \beta_4$  = Regression Coefficient

X1 = Work motivation

X2 = Work discipline

X3 = Organizational culture

e = Standard Error

## RESULTS AND DISCUSSION

This study aims to determine the effect of work motivation (X1), work discipline (X2), organizational culture (X3) on employee performance (Y) at PT Pupuk Iskandar Muda. Therefore, multiple linear regression analysis is used to analyze its effect. The results of multiple linear analysis with the SPSS version 26 program are obtained as follows:

### Multiple Linear Regression Testing Results

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	14,497	1,220		11,879	0,000
Work Motivation X1	0,364	0,055	0,355	6,583	0,000
Work Discipline X2	0,354	0,069	0,354	5,139	0,000
Organizational Culture X3	0,333	0,095	0,240	3,519	0,001

Source: Data Processed (2024)

## Hypothesis Testing

### Effect of Partial Test Results (t test)

#### Partial Test (t Test)

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	14,497	1,220		11,879	0,000
Work Motivation X1	0,364	0,055	0,355	6,583	0,000
Work Discipline X2	0,354	0,069	0,354	5,139	0,000
Organizational Culture X3	0,333	0,095	0,240	3,519	0,001

a. Dependent Variabel: Employee Performance

Source: Data Processed (2024)

Based on the table above, the tcount value of each independent variable is obtained. By looking at the predetermined criteria,  $\alpha = 0.05$  with a degree of freedom (df) of  $179 - 5 = 174$ , the ttable value is 1.973. From this description, the following conclusions can be drawn:

1. The significant value of Work Motivation (X1) on Employee Performance (Y) is  $0.000 < 0.050$ , and the tcount value is  $6.583 > ttable 1.973$ . Based on these results, it can be concluded that work motivation (X1) has a positive and significant effect on employee performance (Y). This means that hypothesis H1 is accepted, which states that work motivation (X1) has a positive and significant effect on Employee Performance (Y).
2. The significant value of Work Discipline (X2) on Employee Performance (Y) is  $0.000 < 0.050$ , and the tcount value is  $5.139 > ttable 1.973$ . Based on these results, it can be concluded that Work Discipline (X2) has a positive and significant effect on Employee Performance (Y). This means that hypothesis H2 is accepted, which states that Work Discipline (X2) has a positive and significant effect on Employee Performance (Y).
3. The significant value of Organizational Culture (X3) on Employee Performance (Y) is  $0.001 < 0.050$ , and the tcount value is  $3.519 > ttable 1.973$ . Based on these results, it can be concluded that Organizational Culture (X3) has a positive and significant effect on Employee Performance (Y). This means that hypothesis H3 is accepted, which states that Organizational Culture (X3) has a positive and significant effect on Employee Performance (Y).

## CONCLUSION

Based on the results of the analysis that has been carried out in testing Work Motivation, Work Discipline, and Organizational Culture on Employee Performance, it can be concluded that:

1. Work Motivation has a positive and significant influence on Employee Performance.
2. Work Discipline has a positive and significant influence on Employee Performance.
3. Organizational Culture has a positive and significant influence on Employee Performance.

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