# Effect of Recruitment and Discipline on Employee Performance through Motivation in Pt. Insurance Sunlife Indonesia?

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Abstract: This study aims to examine and analyze the effect of recruitment and discipline on employee performance through motivation at PT Insurance Sunlife Indonesia. The sample in this study were all employees in the PT. Sun Life Indonesia insurance, which is 50 people. All samples taken in this part of the organization use saturated sampling. Data analysis using path analysis. The results of the study show that the recruitment and discipline variables influence employee performance simultaneously, recruitment, discipline and motivation variables partially influence employee performance. The direct effect of recruitment and discipline on employee performance is smaller than the indirect effect through motivation. Motivational variables contribute to employee performance.

**Keywords:** recruitment, discipline, motivation, employee performance.

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#### I. Introduction

Changes occur at any time with high levels and speeds, making it a big challenge for every manager who sits in a company. The manager, in this case, is required to be able to complete the formulation of creative actions to adjust the organization or company lead, so that the company or organization it leads can follow every consequence of the changes. In addition to efforts to deal with the existing changes, a manager is also required to be able to carry out anticipatory activities both from internal and external companies which later can affect the operational activities of the company he leads. In this regard, several measurements are needed to anticipate any changes that occur.

Employee performance assessment is very important to note, considering that the achievement of the company's goals can be maximally obtained from the improvement in the performance of each individual employee within the company. Objective employee performance appraisals can provide a lot of benefits for the company. Basri and Rivai (2005: 27) reveal that the results of objective performance assessments can provide the following benefits:

- To improve the work of employees both in quality and quantity.
- Provide new knowledge which will help employees solve complex problems, with a series of limited and regular activities, through the tasks and responsibilities given by the company.
- Improve relations between individual employees in work activities within the company.

In fact, the performance appraisal of each individual employee if done objectively can also have an impact on employee motivation. Employees will greatly appreciate if the assessment of their work is assessed objectively. Where with a consistent attitude towards the results of performance appraisal, employees will be very receptive to all existing decisions and policies. On the other hand, motivated employees will have disciplined and loyal behavior in working well with their superiors directly or for the company where they work. So that the positive impact that can be generated from motivated employees is to behave discipline and loyal to superiors and leaders, in the end, the work targets provided by the company to employees can be achieved to the maximum. In addition, in an effort to improve the performance of its employees, the leader also sees the extent to which standards are needed to place an employee in a certain position in a company. Where these standards relate to the source of employee recruitment from internal or external companies. In the implementation of employee recruitment sourced from the internal company, it is closely related to the results of employee performance appraisal, tenure, assignment experience that is tailored to various criteria in the position offered. While recruitment originating from external companies is usually related to the standard of education, age, or work experience they have.

#### **II.** Literature Review

#### **Performance**

Performance is the result of work in quality and quantity that can be achieved by an employee in carrying out tasks in accordance with the responsibilities given to him. Definition of performance according to Mangkunegara (2009: 9) is a comparison of the results achieved with the role of labor per unit of time (usually per hour). Mangkunegara (2009: 9) suggests the definition of performance as an expression such as output, efficiency and effectiveness often associated with productivity. Therefore, it can be concluded that the performance of HR is work performance or work results of both quality and quantity achieved by HR per unit period of time in carrying out their work duties in accordance with the responsibilities given to them. Job performance assessment is an effort made by the leader to assess the work of his subordinates. According to Handoko (2008: 235), work performance assessment is a process through which an organization evaluates or evaluates employee performance. This activity can improve personnel decisions and provide feedback to employees about implementing their work.

Based on the opinions of several experts, it can be concluded that work performance assessment is a systematic assessment to determine employee work results and organizational performance. Besides that, it is also to determine work training appropriately, provide better responses in the future and as a basis for determining policies in terms of promotion and determination of rewards. The purpose of work performance assessment is to improve or improve organizational performance of the organization's HR. According to Sastrohadiwiryo (2005: 232), performance appraisal is a subjective process involving human judgment. It is said to be subjective performance appraisal because most jobs are truly impossible to measure objectively, this is due to several reasons, including reasons for complexity in the task of measurement, changing circles, and difficulties in formulating tasks and individual work in detail. Thus, performance appraisal is very likely wrong and very easily influenced by non-actual sources. Not a few of these sources affect the assessment process so that it must be taken into account and considered properly.

Miner (2005: 11) reveals the dimensions or indicators of employee performance as follows:

- Quality of work, namely the level of error, damage, accuracy.
- The quantity of work, namely the number of jobs produced.
- Use of time at work, i.e. absenteeism, delay, effective work time / lost working hours.
- Collaboration with other people and work colleagues.

#### Recruitment

Rivai (2009: 1) states that recruitment is essentially a process of determining and attracting applicants, who are able to work in an organization. This process begins when the applicants are searched for and ends when their applications are submitted/collected. The result is a set of applicants for new employees to be selected and selected. In addition, recruitment can also be said as a process to get a number of qualified human resources (employees) to occupy a position or job in a company. According to Siagian (2009: 102), the notion of recruitment is the process of finding, finding, and attracting capable applicants to be employed in a company. According to Ivancevich in Marwansyah (2010: 106), recruitment is a series of activities used by a company to attract job applicants who have the abilities and attitudes needed to help companies achieve their goals.

Recruitment is the process of finding and attracting capable applicants to be selected as employees in accordance with the position needed. The recruitment process begins with finding prospective applicants and ends with the submission of a job application letter to the recruitment organization. After recruitment, the next process is the process of selecting job applicants until the selection of job applicants becomes an employee to fill the required position.

Measurement of recruitment according to Nasution (2005: 39) includes the following:

- Realistic job descriptions, meaning realistic job descriptions that contain management duties and responsibilities, technical duties and responsibilities, specific accountability, and their relationship with other work.
- Job requirements mean determining job requirements needed both in terms of hard skills and soft skills.
- The potential for corporate financing, this concerns the number and limits of salaries that the organization can afford, facilities that can be offered, availability of recruitment budgets.
- Placement, related to the time of placement. Do not let the candidate who has been accepted (fulfilling the requirements) have worked in another organization, because the placement is too long, while the company has already incurred the cost of conducting the selection process.
- Organizational image, this is important to our attention, because for job seekers this is very influential in job selection.
- The source of recruitment is the media or facilities that form the basis for notification of the recruitment process.

#### Work Motivation

Motivation comes from the word motif which means "impulse" or stimulation or "driving force" that is in a person. According to Weiner (1990) cited Elliot et al. (2000), motivation is defined as an internal condition that arouses us to act, encourages us to achieve certain goals, and keeps us interested in certain activities. According to Uno (2007), motivation can be interpreted as an internal and external drive in a person that is indicated by; passion and interest; encouragement and need; hopes and ideals; appreciation and respect. Motivation is something that makes a person act (Sargent, quoted by Howard, 1999) stating that motivation is the impact of one's interaction with the situation they face (Siagian, 2004).

Motivation according to Hasibuan (2008: 219) is "giving motion that creates the enthusiasm of one's work so that they are willing to work together, work effectively and integrate with all their efforts to achieve satisfaction". Whereas Munandar (2008: 323) defines motivation as a process where needs encourage a person to carry out a series of activities that lead to achieving certain goals.

Motivation becomes a strength, power or power, or a complex state and preparedness in an individual to move towards a particular goal, both consciously and unconsciously (Makmun, 2003). A person's motivation can be generated and grow through intrinsic and extrinsic environments (Elliot et al., 2000; Howard, 1999). Intrinsic motivation means the desire of oneself to act without any external stimulation (Elliott, 2000). Intrinsic motivation will be more beneficial and provide stability in learning. Extrinsic motivation is described as motivation that comes from outside the individual and cannot be controlled by the individual (Howard, 1999). Elliott et al. (2000), exemplifying it with values, gifts, and/or awards used to stimulate one's motivation.

#### Work Discipline

Sutrisno (2009: 90) defines work discipline as a condition or respect that is available to employees towards organizational rules and regulations. Handoko (2008: 208) suggests that work discipline is a management activity to carry out operational standards. Hasibuan (2008: 240) reveals that work discipline is a person's awareness and willingness to obey all organizational rules and prevailing social norms. While the notion of work discipline according to Mathis and Jackson (2006: 511) is a form of training that runs organizational regulations.

Etymologically the discipline comes from English "disciple" which means followers or followers of teaching, training and so on.

According to Sutrisno (2012: 86), said that discipline is the attitude of willingness and willingness of someone to understand and obey the regulatory norms that apply around it. This is in accordance with the opinion of Sukarno in Sutrisno (2012: 96), that discipline is an attitude of willingness and willingness of someone to comply with and obey all applicable norms in the organization.

Mathis and Jackson (2006: 314), states that discipline is "a form of training that enforces company regulations." Whereas according to Handoko (2010: 208), discipline is "management activities to carry out organizational standards." According to Simamora (2004: 610), discipline is "a procedure that corrects or punishes subordinates for violating regulations or procedures." This is consistent with Dessler's (2008: 275) opinion, that discipline is "a procedure that corrects or punishes a subordinate for violating rules or procedures.

From the definition above, it can be concluded that discipline is an attitude of equality or compliance with the rules that apply in an organization. The purpose of the disciplinary sentence is to foster and make a redundant effect on employees who commit disciplinary violations.

Saydam (2005: 284) suggests the dimensions used to measure employee work discipline include:

- Attitude is the mental and behavior of employees that come from awareness or willingness of themselves in carrying out the duties and regulations that exist within the company.
- Norm is the ability of employees to fully understand the rules that apply as an excuse in behaving and knowing the purpose and benefits of these regulations.
- Responsibility is the ability of employees to carry out company duties and regulations.

#### **III. Research Methods**

#### Research Design

The relationship between variables can be described in the form of a path analysis diagram as follows:

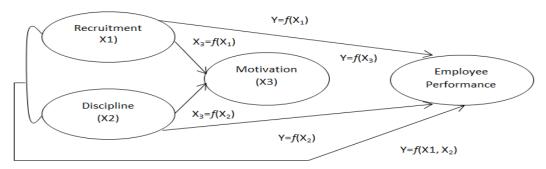


Figure 1. Overall Path Analysis

# **Population and Samples**

Population according to Umar (2008: 137) is defined as a collection of elements that have certain characteristics in common and have the same opportunity to be selected as members of the sample. The population in this study were all employees in the PT. Sun Life Indonesia Insurance is 50 employees.

#### Data Collection Technique

To obtain concrete and objective data, research must be conducted on the problem under study, while the steps that the researcher takes in collecting data are primary data.

#### Research Result

# 1. The Effect of Recruitment and Discipline on Employee Performance

Linear analysis models can be seen based on calculations using the SPSS program as follows.

Table 1. Results of the first equation analysis

		Unstandardized Coefficients		Standardized Coefficients		
	Model	В	Std. Error	Beta	t	Sig.
	1 (Constant)	18,499	3,543		5,221	,000
	RECRUITMENT	,649	,165	,397	3,943	,000
	DISCIPLINE	,526	,097	,548	5,444	,000

a. Dependent Variable: PERFORMANCE

Based on the table above, simultaneous structural equations: Y = 0.397X1 + 0.548X2 The calculated F value can be obtained from the following table:

**Table 2.** F values for simultaneous persistence calculations

	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	867,550	2	433,775	27,759	,000 <sup>b</sup>
	Residual	734,450	47	15,627		
	Total	1602,000	49			

a. Dependent Variable: PERFORMANCE

b. Predictors: (Constant), DISCIPLINE, RECRUITMENT

Based on the table above it is known that the F-count value is 27.759 and the significance is 0.00. This value is smaller than 0.05. This means that the variables of recruitment and discipline affect the performance of employees simultaneously. The magnitude of the effect of independent variables on the dependent variable can be seen from the value of r squared as follows.

**Table 3.** The value of r squared first regression model

				Std. Error of the	
Model	R	R Square	Adjusted R Square	Estimate	Durbin-Watson
1	,736 <sup>a</sup>	,542	,522	3,95305	1,314

a. Predictors: (Constant), DISCIPLINE, RECRUITMENT

b. Dependent Variable: PERFORMANCE

Based on the table above, it is known that the value of r squared is 52.2%, which means that the variables of recruitment and discipline affect the performance of employees by 52.2% while the rest is influenced by other variables which are not included in the equation model.

#### 2. Analysis of the Effect of Partial Recruitment on Employee Performance

The results of the partial analysis of the effect of recruitment on performance can be seen in the following table.

**Table 4.** Results of analysis of the second regression equation

Unstandardized Co		ed Coefficients	Standardized Coefficients			
	Model	В	Std. Error	Beta	t	Sig.
1	(Constant)	26,406	4,084		6,466	,000
	RECRUITMENT	,822	,204	,502	4,026	,000

a. Dependent Variable: PERFORMANCE

The structural equation from the data above: Y = 0.502X1

Based on the table of analysis results above it is known that the recruitment coefficient is 0.502. t value of 4.026. the significance value of 0.00. this significance value is smaller than 0.05. this means that the recruitment variable partially affects employee performance. the magnitude of the effect of recruitment on employee performance can be seen in the following table.

**Table 5.** Value of r squared of the second equation

				Std. Error of the
Model	R	R Square	Adjusted R Square	Estimate
1	,502ª	,252	,237	4,99489

a. Predictors: (Constant), RECRUITMENT

Based on the table above it can be seen that the value of r squared is 0.252. This means that the influence of the recruitment variable on employee performance is 25.2% and the rest is influenced by other variables which are not included in the equation model.

#### 3. Analysis of the Effect of Discipline on Employee Performance Partially

The results of the analysis of the influence of discipline on performance partially can be seen in the following table.

**Table 6.** Results of the analysis of the third regression equation

		Unstandardize	ed Coefficients	Standardized Coefficients		
	Model	В	Std. Error	Beta	t	Sig.
1	(Constant)	29,714	2,413		12,315	,000
	DISCIPLINE	,599	,108	,624	5,538	,000

a. Dependent Variable: PERFORMANCE

The structural equation from the data: Y = 0.624X2

Based on the table of results of the analysis above, it is known that the discipline coefficient is 0.624. T value is 5.538. The significance value of 0.00. This significance value is smaller than 0.05. This means that disciplinary variables affect the performance of employees partially. The magnitude of the influence of discipline on employee performance can be seen in the following table.

**Table 7.** Value of r squared third equation

	Tuble 7. Value of 1 Squared affice equation								
					Std. Error of the				
Mo	del	R	R Square	Adjusted R Square	Estimate				
1		,815a	,664	,657	3,72206				

a. Predictors: (Constant), DISCIPLINE

Based on the table above, it can be seen that the value of r squared is 0.664. This means that the influence of disciplinary variables on employee performance is 66.4% and the rest is influenced by other variables which are not included in the equation model.

#### 4. Analysis of the Effect of Partial Motivation on Employee Performance

The results of the analysis of the influence of motivation on employee performance partially can be seen in the following table.

Table 8. Results of the analysis of the fourth regression equation

		Unstandardize	ed Coefficients	Standardized Coefficients		
	Model	В	Std. Error	Beta	t	Sig.
1	(Constant)	11,396	3,073		3,709	,001
	MOTIVATION	,746	,073	,829	10,268	,000

a. Dependent Variable: PERFORMANCE

The structural equation from the data: Y = 0.829X3

Based on the table of analysis results above it is known that the motivation coefficient is 0.829. T value is 10.268. The significance value of 0.00. This significance value is smaller than 0.05. This means that the motivation variable influences employee performance partially. The magnitude of the effect of motivation on employee performance can be seen in the following table.

**Table 9.** Value of r quadratic fourth equation

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,829ª	,687	,681	3,23119

a. Predictors: (Constant), MOTIVATION

Based on the table above, it can be seen that the value of r squared is 0.687. This means that the influence of the motivation variable on employee performance is 68.7% and the rest is influenced by other variables which are not included in the equation model.

# 5. Analysis of the Effect of Recruitment on Employee Performance Through Motivation Variables The influence coefficient of recruitment on employee performance through motivation can be seen in the following table:

Table 10. Effect of recruitment on employee performance through motivation

		Unstandardized Coefficients		Standardized Coefficients		
	Model	В	Std. Error	Beta	t	Sig.
1	(Constant)	18,012	3,500		4,595	,000
	RECRUITMENT	1,209	,196	,665	6,167	,000

a. Dependent Variable: MOTIVATION

It is known that the effect of recruitment on employee performance is 0.502. The effect of recruitment on employee performance through motivation is  $0.665 \times 0.829 = 0.551$ . In this case, the indirect effect is greater than the direct effect so that it can be said that the motivation variable is an intervening variable.

# 6. Analysis of the Effect of Discipline on Employee Performance Through Motivation Variables The discipline coefficient value of employee performance through motivation can be seen in the following table:

Table 11. The influence coefficient value of discipline on employee performance through motivation

	Unstandardized Coefficients		Standardized Coefficients		
Model	В	Std. Error	Beta	t	Sig.
1 (Constant)	23,140	1,990		11,627	,000
DISCIPLINE	,869	,089	,815	9,733	,000

a. Dependent Variable: MOTIVATION

It is known that the direct influence of discipline on employee performance is 0.624. While the effect of discipline on employee performance through motivation is  $0.815 \times 0.829 = 0.676$ . In this case, the direct influence is smaller than the indirect effect so that it can be said that the motivation variable is an intervening variable.

# IV. Conclusions and Recommendations

#### Conclusion

Recruitment and discipline variables affect employee performance simultaneously. The value of f count is 27.759 and significance is 0.00. This value is smaller than 0.05. The value of r squared is 52.2% which means that the recruitment and discipline variables affect employee performance by 52.2% while the rest is influenced by other variables which are not included in the equation model.

The recruitment variable partially affects employee performance. T value is 4.026. The significance value of 0.00. This significance value is smaller than 0.05. The value of r squared is 0.252. This means that the

influence of the recruitment variable on performance is 25.2% and the rest is influenced by other variables which are not included in the equation model.

Discipline variables affect employee performance partially. T value is 5.538. The significance value of 0.00. This significance value is smaller than 0.05. The value of r squared is 0.664. This means that the influence of disciplinary variables on employee performance is 66.4% and the rest is influenced by other variables which are not included in the equation model.

Motivational variables partially influence employee performance. T value is 10.268. The significance value of 0.00. This significance value is smaller than 0.05. The value of r squared is 0.687. This means that the influence of the motivation variable on employee performance is 68.7% and the rest is influenced by other variables which are not included in the equation model.

The effect of recruitment on employee performance is 0.502. The effect of recruitment on performance through motivation is  $0.665 \times 0.829 = 0.551$ . In this case, the indirect effect is greater than the direct effect so that it can be said that the motivation variable is an intervening variable.

The direct influence of discipline on employee performance is 0.624. While the influence of discipline on employee performance through motivation is  $0.815 \times 0.829 = 0.676$ . In this case, the direct influence is smaller than the indirect effect so that it can be said that the motivation variable is an intervening variable.

#### Recommendations

Employee organization performance needs to be improved by increasing employee recruitment, increasing employee discipline and employee motivation at work.

Recruitment is essentially a process of determining and attracting applicants, who are able to work in an organization. Increasing employee recruitment can be done by evaluating the position descriptions that have been prepared so that it is more realistic by considering employee workload, paying attention to requirements in improving employee careers, paying attention to the potential funding for recruitment, placing employees, enhancing company image or image and paying attention to recruitment sources. This can be done through socialization regarding job descriptions or in the form of training.

Companies also need to pay attention to employee discipline. Work discipline as a condition or respect attitude that exists on employees towards organization rules and regulations by improving the mental attitude of employees in work, paying attention to the norms of employees in their work and the responsibility of employees in their work. Mental improvement of employees is carried out through socialization of regulations and training on managing mental or spiritual attitudes.

In improving employee performance also pay attention to employee motivation. Motivation is a condition that moves people in a certain direction, employees need to be considered the needs of employees and families, employee environment and employee attitudes in anticipating company turmoil. Increased motivation can also be done through motivational training and providing things that can generate motivation such as salary and work environment.

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