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Impact of Incentives and Work Discipline on Employee Performance

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The author(s) declares that the research was conducted without any commercial or financial relationships that could be construed as a potential conflict of interest.

ABSTRACT

Purpose: This study examines the simultaneous influence of incentives and work discipline on employee performance at PT BFI Finance Jayapura Branch. The hypothesis is that increasing incentives and work discipline will enhance employee performance.

Research Design and Methodology: The research design uses a quantitative survey method. Data was collected through questionnaires distributed to 40 PT BFI Finance Jayapura Branch employees. Variables studied include incentives, work discipline, and employee performance. Data analysis was conducted using multiple linear regression to test the simultaneous effects of the independent variables on the dependent variable.

Findings and Discussion: The findings indicate that incentives and work discipline significantly influence employee performance. The analysis shows that simultaneous incentives and work discipline increases contribute to improved employee performance. This study supports motivation theories such as Vroom's Expectancy Theory and Herzberg's Two-Factor Theory, emphasizing the importance of incentives and discipline in enhancing performance.

Implications: The implications suggest that PT BFI Finance management should develop comprehensive incentive programs and effective work discipline strategies to boost employee performance. The study also recommends further research to explore the long-term effects of incentives and work discipline, considering additional variables such as leadership and organizational culture.

Introduction

Employee performance plays a crucial role in achieving organizational goals. Without optimal performance from each team member, it is difficult for a company to compete and achieve long-term success. In the context of human resource management, research on the factors that influence employee performance is of paramount importance. This study focuses on the impact of incentives and work discipline on employee performance at the BFI Finance Branch Office. BFI Finance is one of the leading financing companies in Indonesia, with an extensive network of branch offices across the country. The performance of employees at branch offices is a key determinant of the company's overall operational success. This research aims to provide a clear picture of how incentives and work discipline affect employee performance at BFI Finance. Incentives are often seen as a critical motivator that can enhance employee productivity. At the same time, work discipline is equally important because, without discipline, the incentives provided may not have a significant impact. In this context, BFI

Finance faces the challenge of ensuring that the incentive policies implemented are effective and that the level of work discipline is maintained across all organizational levels. The practical issues faced by BFI Finance involve difficulties integrating incentive programs that sustainably motivate employees and implementing consistent and fair work discipline.

Recent studies indicate that incentives and work discipline significantly improve employee performance in various financial institutions. Adaria (2021) and Budirianti (2020) found that work discipline and motivation significantly influence performance. Their research shows that disciplined and motivated employees tend to perform better. This is supported by the findings of Saleem (2011) and Eka (2018), who emphasize that financial incentives are positively associated with employee commitment and that work discipline and motivation positively impact performance. Tarigan (2021) and Abdelhay (2023) also affirm that motivation and discipline significantly affect employee performance. Furthermore, Orji (2019) and Mamdani (2016) add that financial incentives can influence substantially work habits and performance, but they also underscore the importance of non-financial incentives and capacity-building programs. These findings suggest combining financial and non-financial incentives and capacity building is crucial in creating a productive work environment. However, despite the extensive research, these studies have limitations. Most research tends to focus on financial incentives and gives less attention to the role of non-financial incentives and other factors such as the work environment and organizational culture. Additionally, most studies use a quantitative approach without an in-depth exploration of the qualitative dynamics that can influence employee performance. This study builds on previous research by combining quantitative and qualitative methods to understand better how incentives and work discipline affect employee performance. Thus, this study not only enriches the existing literature but also offers practical insights that can be utilized by BFI Finance management and similar companies to improve employee performance sustainably.

There is a significant gap in the existing literature regarding the relationship between incentives, work discipline, and employee performance. Many previous studies have focused more on the impact of financial incentives without thoroughly considering the role of non-financial incentives and the interaction between various work discipline factors and the organizational cultural context. For instance, studies by Saleem (2011) and Mamdani (2016) highlight the importance of financial incentives but do not explore how non-financial incentives and capacity-building programs contribute to employee performance. Additionally, these studies overlook the qualitative dimensions that can provide deeper insights into employee motivation and behavior. This research aims to fill these gaps by combining quantitative and qualitative approaches to analyze the impact of incentives and work discipline on employee performance at BFI Finance. Thus, this study focuses not only on financial incentives but also on the role of non-financial incentives and how capacity-building programs can enhance employee performance. Moreover, the qualitative approach used in this research will provide deeper insights into employee motivation and behavior dynamics, which are often overlooked in quantitative research. This study will also challenge the findings of previous studies by presenting empirical data showing that a combination of financial and non-financial incentives, along with consistent application of work discipline, can significantly enhance employee performance. Thus, this research enriches the existing literature and provides practical contributions to developing more effective human resource management policies at BFI Finance and similar companies. The findings of this study are expected to form the basis for developing more holistic and sustainable strategies to improve employee performance through a more comprehensive and integrated approach.

This research explores the impact of incentives and work discipline on employee performance at the BFI Finance Branch Office. This study aims to uncover how various types of incentives, both financial and non-financial, as well as the consistent application of work discipline, can enhance employee performance. By focusing on these aspects, this research intends to provide deeper insights into the mechanisms underlying the relationship between incentives, work discipline, and employee performance. This research also emphasizes objectivity in its analysis and the relevance of its findings in human resource management, particularly in efforts to improve operational effectiveness and the company's competitive edge. To achieve these objectives, this study will address several research questions designed to analyze the previously identified gaps. These questions include: (1) How do financial incentives affect employee performance at the BFI Finance Branch Office? (2) To what extent do non-financial incentives improve employee performance? (3) How does work discipline influence employee performance within the context of BFI Finance's management policies? (4) What is the interaction between incentives and work discipline in influencing employee performance? This research offers novelty by combining quantitative and qualitative analyses and expanding the understanding of the role of non-financial incentives and work discipline in performance management. Thus, this study has the potential to provide theoretical contributions by enriching the existing literature and practical contributions by offering recommendations that BFI Finance and similar companies can implement. The findings of this research are expected to form the basis for developing more holistic and effective human resource management strategies to enhance employee performance and the company's long-term success. This research is powerfully relevant to previous studies in human resource management, particularly those related to the impact of incentives and work discipline on employee performance. Studies by Adaria (2021), Budirianti (2020), and Saleem (2011) have highlighted the importance of financial incentives and work discipline in improving employee performance. However, this study enriches understanding by adding the dimension of non-financial incentives and qualitative analysis of employee motivation and behavior. In this context, this research offers a more comprehensive and holistic perspective that can be used to develop more effective human resource management strategies.

The uniqueness of this research lies in its innovative approach, combining quantitative and qualitative analyses to provide more profound and detailed insights. This study measures the impact of incentives and work discipline on employee performance and explores how these interactions can create a more productive and harmonious work environment. Thus, this research provides significant new contributions to the science and practice of human resource management. Specifically, this study offers innovative contributions by identifying the role of non-financial incentives, which are often overlooked in previous literature. This research also emphasizes the importance of capacity-building programs and how they can interact with financial incentives to improve employee performance sustainably. Thus, this research not only enriches academic literature but also provides practical recommendations that can be implemented by BFI Finance and similar companies to enhance employee performance and achieve organizational goals more effectively. This study is expected to become an essential reference for academics and practitioners in human resource management, providing new insights that can be applied in various organizational contexts to optimize employee performance. Therefore, this research is relevant theoretically and has significant practical implications.

Literature Review

Incentive

The success of an organization in achieving its objectives significantly depends on the quality of work performed by its employees. One effective strategy that organizations can employ to enhance employee performance is through the provision of incentives. Incentives are rewards linked to performance based on outcomes rather than seniority or hours worked. According to Wibowo (2014), incentive programs are designed to improve employee performance by offering rewards that motivate individual and group behaviors. Sinambela (2016) defines incentives as variable elements or compensations provided based on employee performance. Incentives serve as a driving force that stimulates employees to work more optimally. Purnama and Harjoyo (2019) further emphasize that incentives are a key strategy for motivating workers to achieve higher performance levels. Incentives can be categorized into two types: material incentives and non-material incentives. As outlined by Sinambela (2016), material incentives include bonuses, commissions, profit sharing, and deferred compensation. Bonuses are financial rewards given selectively and specifically for work well done. Commissions, a type of bonus, are generally received by sales employees based on the sales they achieve. Profit sharing involves distributing a portion of the net profits into a specific fund, which is then allocated to employees. Deferred compensation includes programs such as pensions and contractual payments to be made later. In addition to material incentives, non-material incentives also play a crucial role in motivating employees. These can take various forms, such as official titles, certificates of recognition, promotions, and formal or informal expressions of appreciation or

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gratitude. Factors influencing the provision of incentives include position, performance, and organizational profit. Employees in higher positions or those demonstrating higher performance typically receive more significant incentives. Consequently, incentives benefit employees and enhance organizational performance by increasing productivity and motivation.

Work Discipline

Work discipline is crucial in companies' or government agencies' achieving their objectives. Without good discipline, an organization cannot achieve optimal results. Good discipline reflects the level of responsibility an individual has towards the tasks assigned to them. Hasibuan (2019) defines discipline as the awareness and willingness of an individual to comply with all company regulations and prevailing social norms. Latainer, as cited in Sutrisno (2019), describes discipline as an internal force that develops within employees, enabling them to voluntarily adapt to decisions, rules, and high standards of work and behavior. One approach to addressing indiscipline, aimed at organizational growth, is to motivate employees to discipline themselves in performing their tasks individually and in groups. Work discipline is highly beneficial in educating employees to adhere to the regulations and policies of the organization, thereby producing optimal performance. From these definitions, work discipline can be concluded as the willingness and readiness of an individual to adhere to applicable rules, whether written or unwritten, and to carry them out without evading the consequences for any violations of their duties and responsibilities. The goal of discipline, whether for groups or individuals, is to direct behavior toward a harmonious reality. Harmony between employee rights and obligations must be established to create such conditions. Factors influencing work discipline include personality and environment. An individual's personality, which encompasses their value system, is directly related to discipline. The environment, particularly the social environment, also plays a significant role in shaping disciplinary attitudes. Indicators of work discipline that must be considered include goals and abilities, leadership examples, fairness, inherent supervision, punitive sanctions, firmness, and human relations. Work discipline ensures that all employees take responsibility for their work and comply with the regulations, producing sound and optimal work outcomes.

Employee performance

Employee performance is defined by Sentono (2013) as the work result achieved by an individual or a group within an organization, based on their authority and responsibilities, aimed at legally achieving organizational goals without violating any laws. The level of an individual's success in performing job duties is known as their performance level, and to measure this, it is crucial to establish work requirements and criteria. Armstrong and Baron, as cited in Wibowo (2014), identify several factors influencing performance: personal factors, leadership factors, team factors, system factors, and contextual/situational factors. The level of skills, competencies, motivation, and individual commitment indicates personal factors. Leadership factors are determined by the quality of encouragement, guidance, and support managers and team leaders provide. The quality of support from coworkers shows team factors. System factors are indicated by the work systems and facilities provided by the organization.

The pressure level and changes in the internal and external environment indicate contextual or situational factors. According to Hersey, Blanchard, and Johnson in Wibowo (2014), performance indicators include goals, standards, feedback, tools or equipment, competence, and motivation. Goals provide direction for performance efforts, and achieving them requires the performance of individuals, groups, and organizations. Standards are the quality benchmarks that employees must meet to produce satisfactory work outcomes. Feedback reports progress towards achieving the goals defined by the standards. Tools or equipment are resources that support goal accomplishment. Competence is the main requirement for effective performance, enabling individuals to perform necessary job-related tasks. Motivation drives individuals to act, and managers facilitate it through incentives, recognition, challenging goals, achievable standards, and feedback. By focusing on these aspects, organizations can ensure optimal employee performance and efficiently and effectively achieve their overall objectives.

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Research Design and Methodology

This study employs a survey method to collect information by preparing a list of questions posed to respondents. Quantitative research design emphasizes objective measurement of social phenomena through various components, variables, and indicators. The study examines the effect of incentives and work discipline on employee performance at PT. BFI Finance Branch Jayapura uses a questionnaire as the instrument. The population of this study consists of 40 PT employees. BFI Finance Branch Jayapura and the sample were taken using a census method, thus including all 40 respondents from the population. The independent variables in this study are incentives (X1) and work discipline (X2), while the dependent variable is employee performance (Y). Incentives are variable compensations depending on employee performance, with indicators such as position, performance, and organizational profit. Work discipline is the awareness and willingness to comply with company regulations and social norms, with indicators like goals and abilities, leadership examples, fairness, inherent supervision, punitive sanctions, firmness, and human relations. Employee performance is the work results achieved by individuals or groups within an organization by their authority and responsibilities, influenced by indicators such as goals, standards, feedback, tools or equipment, competence, and motivation. Primary data is collected through a Likert scale questionnaire and analyzed using multiple linear regression to determine the influence of incentives and work discipline on employee performance, with the regression formula $Y = a + b1X1 + b2X2 + e$. The validity of the questionnaire is measured using confirmatory factor analysis, while reliability is tested with Cronbach's Alpha statistics. Normality testing is conducted to ensure the residuals are normally distributed, and hypothesis testing is performed using F-tests and T-tests to determine the simultaneous and partial effects of the independent variables on the dependent variable.

Findings and Discussion

Findings

Instrument Test Results

Table 1 presents the instrument test results to measure the validity and reliability of the questionnaire items used in the study. The variables tested include incentives (X1), work discipline (X2), and employee performance (Y). The validity test results show that all items have a calculated R-value greater than the table R-value (0.3120) with a significance level 0.000. This indicates that all items are valid, meaning the questions in the questionnaire accurately measure what they are intended to measure. High validity ensures that the data collected from respondents is legitimate and reliable for further analysis.

Table 1. Instrument Test Results

Variable	Item	r Count	r Table	Sig.	Description	Cronbach's Alpha Based on Standardized Items	Description
Incentives	X1.1	0.815	0.3120	0.000	Valid	0.820	Reliable
	X1.2	0.869	0.3120	0.000	Valid		
	X1.3	0.891	0.3120	0.000	Valid		
Work Discipline	X2.1	0.855	0.3120	0.000	Valid	0.945	Reliable
	X2.2	0.895	0.3120	0.000	Valid		
	X2.3	0.841	0.3120	0.000	Valid		
	X2.4	0.883	0.3120	0.000	Valid		
	X2.5	0.870	0.3120	0.000	Valid		
	X2.6	0.883	0.3120	0.000	Valid		
	X2.7	0.870	0.3120	0.000	Valid		
Employee Performance	Y.1	0.788	0.3120	0.000	Valid	0.853	Reliable
	Y.2	0.768	0.3120	0.000	Valid		
	Y.3	0.715	0.3120	0.000	Valid		
	Y.4	0.773	0.3120	0.000	Valid		
	Y.5	0.804	0.3120	0.000	Valid		
	Y.6	0.715	0.3120	0.000	Valid		

Source: *Processed Data (2023)*

The validity test results show that all items in the variables of incentives (X1), work discipline (X2), and employee performance (Y) have calculated r-values greater than the table r-value (0.3120) with a significance level of 0.000. This indicates that all items are valid, meaning the questions in the questionnaire accurately measure what they are intended to measure. High validity ensures that the data collected from respondents is legitimate and reliable for further analysis. Additionally, the reliability test results show that all variables have Cronbach's Alpha values above 0.7, indicating high internal consistency. The incentives variable (X1) has a reliability value of 0.820, the work discipline variable (X2) has a reliability value of 0.945, and the employee performance variable (Y) has a reliability value of 0.853. This means that the instruments used in this study provide consistent and reliable results even if repeated at different times or by other researchers. Overall, the validity and reliability test results indicate that the questionnaire used in this study is a valid and consistent measurement tool. This is crucial to ensure that the data obtained can be used to draw accurate and relevant conclusions about the influence of incentives and work discipline on employee performance at PT. BFI Finance Jayapura Branch. High validity and reliability also enhance the credibility of the research findings, providing confidence that the results reflect the actual conditions in the studied population.

Classical Assumption Tests

Table 2 presents the results of the classical assumption tests conducted to validate the regression model used in the study. The tests include normality, heteroscedasticity, and multicollinearity tests to ensure that the model meets the basic assumptions of linear regression.

Table 2. Classical Assumption Test

Test	Item	Results
One-Sample Kolmogorov-Smirnov Test	N	40
	Test Statistic	0.102
	Asymp. Sig. (2-tailed)	0.116 (Data is normally distributed)
Heteroscedasticity		Data points on the Y-axis are randomly scattered above and below zero, indicating no heteroscedasticity.
Multicollinearity	Variable	Tolerance
	Workload (X1)	0.497
	Work Relationship (X2)	0.497

Source: *Processed Data (2023)*

The normality test results using the Kolmogorov-Smirnov test show that the data is usually distributed with an Asymp. Sig. (2-tailed) value of 0.116, which is greater than the significance level of 0.05. This indicates that the residual distribution does not significantly deviate from a normal distribution, thus fulfilling the normality assumption. Based on the scatterplot, the data points are randomly scattered above and below zero on the Y-axis, indicating no heteroscedasticity. Therefore, the homoscedasticity assumption is met. Furthermore, the multicollinearity test results show that the VIF values for the variables Workload (X1) and Work Relationship (X2) are both 2.012, which is less than 10, and the Tolerance values for both variables are 0.497, which is greater than 0.1. This indicates that there is no multicollinearity issue among the independent variables.

Hypothesis Test

Table 3 presents the results of the multiple linear regression analysis conducted to determine the impact of incentives (X1) and work discipline (X2) on employee performance (Y). The study provides coefficients for each variable, along with the t-values, significance levels, and an indication of whether each variable significantly affects employee performance. Additionally, the table includes the R Square and Adjusted R Square values, which indicate the proportion of variance in employee performance explained by the independent variables and the F-test results to assess the overall model fit.

Based on the multiple linear regression analysis results, the regression equation obtained is: $Y = 2.118 + 0.346 X1 + 0.642 X2 + e$. The constant value of 2.118 indicates that if the variables of incentives and work discipline are zero, the employee performance will be 2.118. The incentive regression coefficient of 0.346 indicates that each one-unit incentive increase will increase employee performance by 0.346, assuming other variables remain constant. The work discipline regression coefficient of 0.642 indicates that each one-unit increase in work discipline will improve employee performance by 0.642, assuming other variables remain constant.

Table 3. Multiple Linear Regression Analysis

Variable	Coefficient	t Count	Sig.	Description
Constant	2.118			
Incentives (X1)	0.346	7.489	0.000	Significant
Work Discipline (X2)	0.642	5.228	0.000	Significant
R Square	0.847			
Adjusted R Square	0.839			
t Table		1.68709 (DF = 37)		
F Count		102.371		
F Table		2.84 (DF1 = 3; DF2 = 40)		
Sig.		0.000		

Source: Processed Data (2023)

The partial hypothesis test results (t-test) show that incentives and work discipline each have a significant effect on employee performance, with t-count values of 7.489 and 5.228, respectively, more critical than the t-table value of 1.68709 and essential values of 0.000, which are less than 0.05. The simultaneous test (F-test) shows that the variables of incentives and work discipline significantly affect employee performance, with an F-count value of 102.371 greater than the F-table value of 2.84 and a significant value of 0.000, less than 0.05. The coefficient of determination (Adjusted R Square) of 0.839 indicates that the variables of incentives and work discipline can explain 83.9% of the variation in employee performance. In comparison, the remaining 16.1% is explained by other variables outside of this research model. These results affirm that incentives and work discipline are essential in improving employee performance at PT. BFI Finance Jayapura Branch.

Discussion

Incentives on Employee Performance

The results of this study affirm that incentives significantly and positively affect employee performance at PT BFI Finance Jayapura Branch. This finding aligns with various theories that underline the importance of incentives in enhancing employee performance. One foundational theory supporting this hypothesis is Frederick Herzberg's Motivation-Hygiene Theory, also known as the Two-Factor Theory. According to Herzberg, factors that motivate employees are divided into two categories: motivators (intrinsic) and hygiene factors (extrinsic). Incentives fall under hygiene factors, which serve as external drivers to enhance performance. Studies conducted by Emita (2020) and Prayogi (2022) demonstrate a strong positive correlation between incentives and employee performance, emphasizing the role of financial compensation. These findings are consistent with the PT BFI Finance Jayapura Branch results, indicating that increased incentives improve employee performance. Additionally, Sianturi (2024) and Hendarto (2021) support this by highlighting the influence of incentives, work environment, and work discipline on job satisfaction and how incentives improve performance satisfaction. These studies show that incentives impact financial, psychological, and environmental factors supporting employee productivity.

Furthermore, Farradia (2022) and Gunawan (2014) found that incentives significantly impact work productivity and motivation, with Gunawan emphasizing the importance of intangible non-monetary incentives. These findings suggest that while financial incentives are crucial, non-financial incentives also play a vital role in driving employee performance. Research by Saleem (2011) and Fauzan (2018) further confirms the positive association between financial incentives and employee commitment and performance. Collectively, these studies suggest that increasing incentives can lead to enhanced employee performance. However, these results may differ from some previous studies or existing theories due to variations in organizational and cultural contexts. For instance, in particular organizations or cultures, non-monetary incentives might significantly impact more than monetary incentives. Additionally, factors such as leadership, organizational structure, and company policies can influence the effectiveness of incentives. Therefore, it is essential to consider the specific context when applying these findings to other organizations.

The implications of these findings are critical for the management of PT BFI Finance Jayapura Branch. Management should consider enhancing their incentive programs in financial terms and through non-financial means to boost employee performance. In addition to bonuses and commissions, providing rewards, recognition, and career development opportunities can be effective incentives. This approach will help create a more motivating and productive work environment. Moreover, these findings pave the way for further research relevant to this topic. Future studies can explore the long-term effects of incentives on employee performance and how different types affect various performance aspects across different industry sectors. Comparative studies between financial and non-financial incentives can also provide deeper insights into employee preferences and the effectiveness of varying incentive types. Given the evolving dynamics of work and employee needs, this research can be a foundation for developing more effective and adaptive human resource management strategies. These findings confirm the importance of incentives in enhancing employee performance and provide insights into how incentives can be effectively implemented in an organizational context. By adopting a comprehensive approach to incentive programs, companies can increase employee motivation, productivity, and satisfaction, ultimately positively impacting overall organizational performance. This research underscores that appropriate and strategic incentives are key to achieving optimal performance and long-term success in a competitive business environment.

Work Discipline on Employee Performance

The findings of this study reveal that work discipline significantly and positively influences employee performance at PT BFI Finance Jayapura Branch. When work discipline increases, employee performance follows suit. This conclusion aligns with a substantial body of research consistently highlighting the work discipline's critical role in enhancing employee performance. Theories such as Fred Luthans's organizational Behavior Modification Theory and Edwin Locke's Goal-Setting Theory provide a robust theoretical framework for understanding this relationship. Luthans' theory posits that behaviors reinforced by positive outcomes tend to be repeated, suggesting that disciplined behavior, when reinforced by positive outcomes like improved performance, becomes a sustainable practice within the organization. Locke's theory emphasizes that specific and challenging goals, such as maintaining high work discipline, lead to higher performance as employees are more focused and motivated.

Empirical studies substantiate these theoretical perspectives. Khairani (2024), Eka (2018), Saputra (2022), Sopandi (2022), Ramdhan (2021), Purba (2023), Manajemen (2022), and Ginting (2022) all report significant positive relationships between work discipline and employee performance across various sectors. These findings suggest that disciplined work environments foster consistency, reliability, and efficiency among employees, leading to superior performance outcomes. For instance, Khairani (2024) found that disciplined work habits correlate with higher productivity levels, while Eka (2018) emphasized that work discipline contributes to individual and team performance improvements. However, it is essential to acknowledge that not all literature unanimously supports this positive relationship. Some studies argue that excessive emphasis on discipline may stifle creativity and reduce job satisfaction, potentially harming performance in creative or innovative settings. These dissenting views highlight the need for a balanced approach to work discipline, ensuring that it fosters productivity without undermining employee morale or creativity. The variations in findings across different studies can be attributed to several factors. Organizational culture, leadership styles, and industry-specific dynamics play significant roles in shaping the effectiveness of work discipline. In organizations with a strong culture of autonomy and innovation, strict work discipline might be perceived as restrictive, potentially leading to adverse outcomes. Conversely, rigorous discipline is often essential and positively correlated with performance in highly regulated or safety-critical industries. Therefore, the context in which work discipline is applied significantly influences employee performance.

The implications of these findings are profound for the management at PT BFI Finance Jayapura Branch. Fostering a disciplined work environment can substantially improve employee performance. However, it is crucial to implement discipline that aligns with the organizational culture and employee expectations. Managers should create clear, achievable standards and consistently reinforce them through positive and constructive feedback. Additionally, incorporating flexibility and encouraging autonomy can help balance the need for discipline with the need for creativity and job satisfaction.

This study also opens avenues for future research. Further investigations could explore the long-term effects of work discipline on employee performance, considering different organizational cultures and industry contexts. Comparative studies examining the impact of work discipline in creative versus regulated industries could provide deeper insights into how discipline can be tailored to different work environments. Additionally, exploring the interplay between work discipline and other motivational factors, such as rewards and recognition, could offer a more comprehensive understanding of how to optimize employee performance. The positive impact of work discipline on employee performance at PT BFI Finance Jayapura Branch is evident and supported by substantial empirical evidence. However, work discipline must be context-sensitive, enhancing productivity without diminishing employee satisfaction. Organizations can achieve optimal performance outcomes by strategically fostering discipline while maintaining flexibility and support. This study underscores the importance of a balanced approach to work discipline, paving the way for continued research and practical applications in diverse organizational settings.

Incentives and Work Discipline on Employee Performance

The findings of this study reveal that incentives and work discipline simultaneously influence employee performance at PT BFI Finance Jayapura Branch. This conclusion aligns with numerous studies highlighting these factors' critical roles in shaping employee outcomes. Theories such as Vroom's Expectancy Theory and Herzberg's Motivation-Hygiene Theory provide a solid theoretical foundation for understanding this relationship. Vroom's theory posits that employees are motivated to perform when they believe their efforts will lead to desired outcomes, such as rewards (incentives) and recognition for disciplined behavior. Herzberg's theory further distinguishes between motivators, including incentives, and hygiene factors, encompassing work discipline, which is essential for enhancing job satisfaction and performance. Empirical evidence strongly supports these theoretical perspectives. Lesmana (2020) and Silalahi (2023) found that incentives and work discipline significantly impact job satisfaction, which is closely linked to performance. Lesmana's study emphasizes that a well-structured incentive program can enhance job satisfaction, thereby boosting performance. Similarly, Silalahi underscores the importance of work discipline in creating a conducive work environment that promotes high performance. These findings are consistent with Eka (2018) and Sinaulan (2018), who reported that incentives and work discipline contribute 41.1% and 62.1% to employee performance, respectively. Such significant contributions underline the critical roles these factors play in driving performance. Furthermore, Tarigan (2021) and Pramesthi (2020) highlight the positive effects of work discipline and motivation on performance, with Pramesthi identifying work discipline as the most dominant factor. These studies suggest that a disciplined work environment fosters reliability and consistency, which are crucial for high performance. Sitopu (2021) and Prayogi (2022) also emphasize the importance of work discipline, noting that it is essential for achieving good performance. These studies suggest that incentives and work discipline are key drivers of employee performance, a finding that resonates across various industries and organizational contexts.

It is essential to recognize that not all studies align perfectly with these findings. Some research suggests that excessive focus on discipline might stifle creativity and reduce job satisfaction in environments where innovation is critical. Additionally, the effectiveness of incentives can vary depending on the individual employee's values and motivations. For instance, while financial incentives might significantly boost performance in some contexts, non-monetary incentives such as recognition and career development opportunities may be more effective in others. These variations highlight the need for a nuanced approach to implementing incentives and work discipline strategies. These findings have substantial implications for PT BFI Finance Jayapura Branch. Management should consider developing comprehensive incentive programs that include financial and non-financial rewards to cater to diverse employee motivations. Fostering a disciplined work environment through clear policies, consistent enforcement, and positive reinforcement can significantly enhance performance. However, it is crucial to balance discipline with flexibility to avoid stifling creativity and innovation.

This study also opens avenues for further research. Future studies could explore the long-term effects of incentives and work discipline on employee performance, particularly in different cultural and organizational contexts. Comparative research between different types of incentives (financial vs. non-financial) and their impact on performance across various industries could provide deeper insights into effective motivational strategies. Additionally, investigating the interplay between incentives, work discipline, and other motivational factors, such as leadership style and organizational culture, could offer a more comprehensive understanding of optimizing employee performance. The simultaneous influence of incentives and work discipline on employee performance at PT BFI Finance Jayapura Branch is evident and supported by substantial empirical evidence. However, applying these findings must be context-sensitive, ensuring that incentives and discipline are tailored to the organization's and its employees' unique needs. By strategically implementing these factors, organizations can enhance employee motivation, satisfaction, and performance, ultimately driving long-term success. This study underscores the importance of a balanced approach to incentives and work discipline, paving the way for continued research and practical applications in diverse organizational settings.

Conclusion

This study reveals that incentives and work discipline significantly influence employee performance simultaneously at PT BFI Finance Jayapura Branch. These findings align with previous studies indicating that both factors enhance job satisfaction and employee performance. The analysis shows that increases in incentives and work discipline tend to improve employee performance, suggesting that these factors complement each other in creating a productive and motivating work environment.

The value of this research lies in its contribution to understanding how incentives and work discipline can be effectively implemented to enhance employee performance. This study provides additional empirical evidence that management practitioners can utilize to design more effective policies to boost employee motivation and productivity. The simultaneous approach adopted in this research adds originality to the study, allowing for a deeper analysis of how incentives and work discipline interact to influence employee performance.

However, this research has several limitations that should be considered. First, the study was conducted at a single company branch, so the results may not be generalizable to other branches or organizations. Second, the survey method relies on the honesty and accuracy of respondents, which may introduce bias. Third, this study only examines two independent variables, while other factors, such as leadership and organizational culture, might also significantly affect employee performance. For future research, it is recommended to conduct comparative studies across different branches and organizations, explore the long-term effects of incentives and work discipline, and consider additional relevant variables. Qualitative research could also be undertaken to better understand employee perceptions regarding incentives, work discipline, and other motivational factors that may play a role.

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