

THE INFLUENCE OF EMPLOYEE DEVELOPMENT AND WORK DISCIPLINE ON EMPLOYEE PERFORMANCE AT PT ASTRA INTERNATIONAL TBK

*¹Utari Tri Handayani

²Yeni Absah

³R. Hamdani Harahap

¹University of North Sumatra, North Sumatra, Indonesia

²University of North Sumatra, North Sumatra, Indonesia

³University of North Sumatra, North Sumatra, Indonesia

2nd ICOERESS
(25-09-2025)

Submission:
(01-09-2025)
Published:
(28-06-2026)

ABSTRACT

This study aims to analyze the influence of employee development and work discipline on employee performance at PT Astra International Tbk. The observed phenomenon indicates a decline in productivity and work quality in several company divisions. This research uses a quantitative method with a survey approach involving 120 respondents from various divisions at PT Astra International Tbk. The research instrument was a questionnaire using a 5-point Likert scale. Data analysis was conducted using multiple linear regression with the assistance of SPSS 25. The results show that employee development has a positive and significant effect on employee performance ($\beta = 0.456$; $p < 0.05$), work discipline also has a positive and significant effect on employee performance ($\beta = 0.362$; $p < 0.05$), and simultaneously, employee development and work discipline significantly affect employee performance, contributing 73.2% ($R^2 = 0.732$). This study provides important implications for the management of PT Astra International Tbk to enhance employee development programs and strengthen the work discipline system in order to improve employee performance optimally.

Keywords: Employee Development, Work Discipline, Employee Performance, PT Astra International

BACKGROUND

Human resources are widely recognized as one of the most valuable strategic assets that determine an organization's ability to achieve sustainable competitive advantage. In today's highly dynamic and competitive business environment, organizations are required not only to possess advanced technology and strong financial resources but also to develop competent, disciplined, and high-performing employees capable of adapting to rapid environmental changes. As globalization, digital transformation, and technological innovation continue to reshape industries, organizations increasingly depend on the quality of their human resources to maintain productivity, innovation, and long-term organizational sustainability (Noe et al., 2020; Robbins & Judge, 2021).

Employee performance has therefore become a central concern in organizational management because it directly influences operational effectiveness, service quality, customer satisfaction, and organizational profitability. According to Bernardin and Russell (2020), employee performance reflects the extent to which employees successfully accomplish their assigned duties while meeting organizational standards regarding quality, quantity, timeliness, effectiveness, and commitment. Similarly, Colquitt et al. (2020) emphasize that organizational success depends not only on employees' technical abilities but also on contextual performance, including teamwork, organizational commitment, initiative, and adaptability. Consequently, organizations continuously seek effective human resource management strategies that can improve employee performance while simultaneously enhancing employee engagement and organizational competitiveness.

Among Indonesian corporations, PT Astra International Tbk represents one of the country's largest and most diversified business groups. Established in 1957, the company has expanded into numerous strategic industries, including automotive manufacturing and distribution, financial services, heavy

equipment, mining, agribusiness, infrastructure, logistics, information technology, and property development. As one of Indonesia's largest publicly listed companies, PT Astra International Tbk has consistently contributed significantly to the national economy through employment creation, investment, innovation, and tax revenue. The company's broad business portfolio requires highly competent employees who possess not only technical expertise but also adaptability, professionalism, and strong organizational commitment in order to maintain operational excellence across various industries.

The increasingly competitive global business environment presents substantial challenges for PT Astra International Tbk in maintaining consistent employee performance. The acceleration of technological change, increasing customer expectations, evolving business models, and digital transformation require employees to continuously improve their competencies and maintain high levels of work discipline. Human resources are therefore expected to perform efficiently while remaining adaptable to organizational changes and technological developments. Failure to maintain employee performance may reduce organizational productivity, increase operational costs, and ultimately weaken the company's competitive position.

Despite its strong organizational reputation, several internal organizational indicators demonstrate challenges related to employee performance at PT Astra International Tbk. Internal company data for the period 2023–2024 indicate that average employee productivity declined by approximately 8.3% during the last quarter of 2023 compared with the same period in the previous year. This decline suggests that organizational performance is not solely influenced by external economic conditions but may also reflect internal human resource management issues, particularly those related to employee development and work discipline.

Another concern is the increasing absenteeism rate among employees. Company records indicate that employee absenteeism reached 12.5%, significantly exceeding the organizational target of 8%. High absenteeism negatively affects operational continuity because employee absence often disrupts workflow, increases workload for other employees, delays project completion, and reduces overall organizational productivity. According to Hasibuan (2020), attendance and punctuality represent fundamental indicators of work discipline because employees who consistently comply with attendance regulations tend to demonstrate stronger organizational commitment and higher work performance. Similarly, Sutrisno (2021) argues that work discipline reflects employees' willingness to comply voluntarily with organizational rules and procedures, thereby contributing to organizational effectiveness.

Performance appraisal results further reveal that approximately 23% of employees failed to meet the company's expected performance standards during the annual evaluation period. Such findings indicate that a considerable proportion of employees experience difficulties in achieving expected work targets despite the company's established performance management system. According to Mangkunegara (2021), employee performance is influenced by numerous internal factors, including competencies, motivation, discipline, organizational support, and opportunities for career development. Therefore, organizations need to continuously evaluate human resource management practices to identify factors that may hinder employee performance improvement.

Another significant organizational issue is the increasing employee turnover rate. During 2023, employee turnover reached approximately 15.8%, exceeding the estimated industry average of 12%. High turnover creates substantial financial and operational challenges because organizations must continuously recruit, select, train, and develop new employees while simultaneously experiencing temporary productivity losses resulting from employee replacement. Mathis et al. (2021) emphasize that employee retention is closely associated with career development opportunities, organizational support, employee satisfaction, and perceptions of fairness within the workplace. Employees who perceive limited opportunities for professional growth are generally more likely to seek employment elsewhere.

The company has also invested considerably in employee development initiatives designed to improve employees' competencies and prepare future organizational leaders. These initiatives include technical

training, leadership development programs, mentoring, coaching, job rotation, and continuous learning activities. However, evaluation results indicate that only approximately 65% of employees participating in development programs demonstrated measurable performance improvement after completing the training. This finding suggests that employee development programs may not yet fully address employees' actual competency needs or may encounter implementation challenges that reduce their overall effectiveness.

Employee development has long been recognized as one of the most important investments organizations can make to improve organizational performance. According to Dessler (2020), employee development is a systematic process through which organizations enhance employees' knowledge, skills, competencies, and career readiness for future organizational responsibilities. Likewise, Noe et al. (2020) argue that employee development enables organizations to maintain competitive advantage by ensuring that employees continuously acquire new competencies necessary to respond to changing business environments. Mondy and Martocchio (2022) further emphasize that effective development programs should be aligned with organizational strategic objectives while simultaneously addressing employees' individual learning needs. Consequently, organizations that invest strategically in employee development are generally more capable of improving employee productivity, innovation, organizational commitment, and overall business performance.

Besides employee development, work discipline remains another fundamental determinant of organizational effectiveness. Work discipline reflects employees' commitment to organizational rules, punctuality, responsibility, professional ethics, and consistency in performing assigned duties (Rivai & Sagala, 2021). Employees who consistently demonstrate strong work discipline contribute positively to operational efficiency because organizational activities can proceed according to established procedures and schedules. Armstrong and Taylor (2020) report that organizations with effective disciplinary systems generally experience higher operational efficiency, lower organizational conflict, and stronger employee accountability. Similarly, Robbins and Judge (2021) explain that disciplined employees are more likely to achieve superior performance because they consistently fulfill organizational expectations while maintaining professional behavior.

Although numerous previous studies have independently examined the influence of employee development and work discipline on employee performance, empirical evidence specifically investigating these variables within diversified conglomerate companies remains relatively limited. Most previous research has focused on manufacturing companies, educational institutions, government agencies, hospitals, or small and medium enterprises. PT Astra International Tbk possesses unique organizational characteristics due to its diversified business operations, complex organizational structure, and extensive workforce spread across multiple business sectors. Such organizational complexity may produce different patterns regarding how employee development and work discipline influence employee performance compared with organizations operating within a single industry.

Furthermore, previous studies have frequently examined employee development and work discipline separately rather than simultaneously. As a result, limited empirical evidence explains the relative contribution of these two human resource management practices in determining employee performance within large Indonesian corporations. This research therefore seeks to address this gap by examining the simultaneous influence of employee development and work discipline on employee performance at PT Astra International Tbk.

Accordingly, this study aims to analyze the effect of employee development and work discipline on employee performance at PT Astra International Tbk. The findings are expected to contribute theoretically by enriching the literature on strategic human resource management and organizational behavior, particularly regarding the relationship between employee development, work discipline, and employee performance. Practically, the results are expected to provide valuable recommendations for PT Astra International Tbk in designing more effective human resource development strategies, strengthening disciplinary practices, improving employee performance, and sustaining organizational competitiveness in an increasingly dynamic business environment.

RESEARCH METHOD

Research Design

This study employs a quantitative approach with an explanatory research design, aiming to explain the causal relationships between the research variables.

Population and Sample

The population of this study consists of all employees of PT Astra International Tbk, totaling 2,500 individuals. The sample was determined using the Slovin formula with a 5% margin of error, resulting in a sample of 120 respondents. The respondents were selected using stratified random sampling, based on their respective work divisions.

Research Instrument

The research instrument used a questionnaire with a 5-point Likert scale (1 = strongly disagree to 5 = strongly agree). The questionnaire consisted of 45 statement items, divided into the following sections:

1. Employee Development (15 items)
2. Work Discipline (15 items)
3. Employee Performance (15 items).

Data Analysis Technique

Data were analyzed using multiple linear regression with the aid of SPSS version 25. Prior to regression analysis, tests for validity, reliability, and classical assumptions were conducted. Based on the analysis results and the research framework developed from the theories of each variable, the research framework can be formulated as follows :

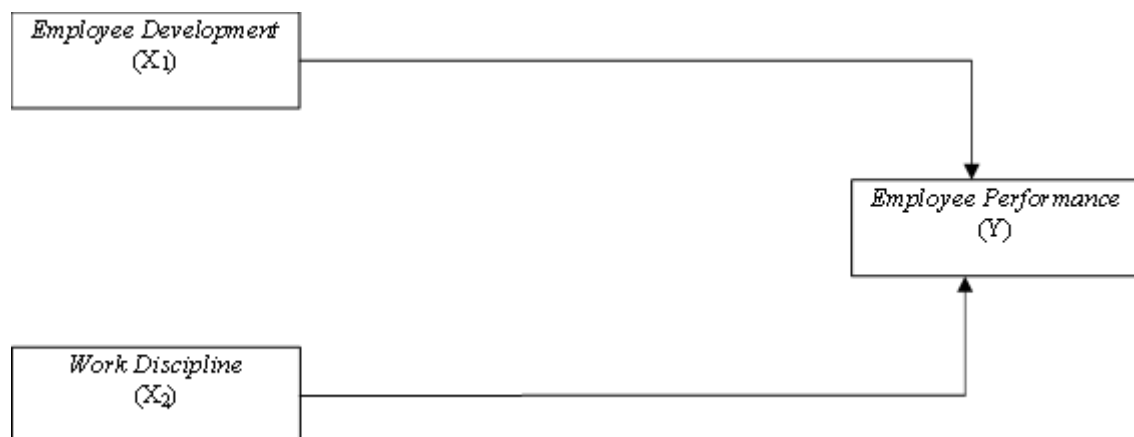


Figure 1. Research Model

RESEARCH FINDINGS

The Influence of Employee Development on Employee Performance

Table 1. Regression Analysis Results

Analysis Aspect	Results	Interpretation
Regression Coefficient	$\beta = 0.456$	Positive and moderate influence
Standardized Beta	0.468	Contribution 46.8%
Significance	$p = 0.000 < 0.05$	Significant
Conclusion	H1 Accepted	Employee development has a significant positive effect on employee performance

Source: Processed data, SPSS version 25

The research findings indicate that employee development has a positive and significant influence on employee performance at PT Astra International Tbk. This result is consistent with the findings of Noe et al. (2020), who stated that investment in employee development enhances employees' capabilities and work motivation, ultimately leading to improved performance outcomes. The employee development programs implemented at PT Astra International Tbk—such as technical training, leadership development, and mentoring—have proven effective in improving employee competencies. Employees who participated in these development initiatives demonstrated notable improvements in work quality, innovation, and problem-solving abilities.

These findings highlight the importance of structured development programs as a strategic tool for increasing individual performance and, in turn, contributing to the organization's overall productivity and competitiveness.

The Influence of Work Discipline on Employee Performance

Table 2. Regression Analysis Results

Analysis Aspect	Results	Interpretation
Regression Coefficient	$\beta = 0.362$	Positive and moderate influence
Standardized Beta	0.344	Contribution 34.4%
Significance	$p = 0.000 < 0.05$	Significant
Conclusion	H2 Accepted	Work discipline has a significant positive effect on employee performance

Source: Processed data, SPSS version 25

Work discipline has been proven to have a positive and significant effect on employee performance. This finding supports Hasibuan's (2020) theory, which states that work discipline is a fundamental foundation of organizational productivity. Employees with high levels of work discipline demonstrate consistency in work quality and quantity, punctuality, and adherence to company procedures. The

implementation of a consistent work discipline system at PT Astra International Tbk creates an orderly and predictable work environment, enabling employees to focus on achieving performance targets effectively.

Simultaneous Influence of Employee Development and Work Discipline on Employee Performance

Table 3. Regression Analysis Results

Analysis Aspect	Results	Interpretation
R Square	0.732	Contribution 73.2%
F-count	159.485	Simultaneous influence is very strong
Significance F	$p = 0.000 < 0.05$	Significant
Conclusion	H3 Accepted	Employee development and work discipline simultaneously have a significant effect on employee performance

Source: Processed data, SPSS (2025)

The analysis results indicate that employee development and work discipline simultaneously contribute 73.2% to the variance in employee performance. The remaining 26.8% is influenced by other factors not examined in this study, such as motivation, leadership, and organizational culture. These findings confirm the synergistic theory proposed by Dessler (2020), which states that the combination of employee development and work discipline produces a greater effect than the influence of each variable individually.

DISCUSSION

The Influence of Employee Development on Employee Performance

The findings of this study demonstrate that employee development has a positive and statistically significant influence on employee performance at PT Astra International Tbk. The regression coefficient ($\beta = 0.456$) and standardized beta coefficient ($\beta = 0.468$) indicate that employee development contributes approximately 46.8% to the improvement of employee performance. Furthermore, the significance value ($p < 0.001$) confirms that the first hypothesis is accepted, suggesting that employee development is an important determinant of employee performance within the organization.

These findings support the theory proposed by Noe et al. (2020), who argue that employee development is a strategic investment enabling organizations to enhance employees' competencies, adaptability, and long-term organizational effectiveness. Employee development equips employees with the knowledge, technical skills, and behavioral competencies necessary to perform increasingly complex job responsibilities. Likewise, Dessler (2020) emphasizes that employee development is not merely intended to improve employees' current performance but also to prepare them for future organizational challenges and career advancement.

At PT Astra International Tbk, employee development programs consist of technical training, leadership development, mentoring, coaching, job rotation, and continuous learning initiatives. These programs provide employees with opportunities to improve both technical and managerial competencies, enabling them to perform their duties more efficiently and effectively. Employees who participate actively in development programs tend to demonstrate greater confidence, stronger problem-solving abilities, higher creativity, and improved decision-making skills. Consequently, they are better equipped to achieve organizational performance targets.

The present findings are also consistent with the human capital theory, which suggests that investments in employee education and development generate positive returns through increased productivity and organizational performance. Organizations that continuously invest in employee competency development create a workforce capable of responding effectively to technological changes, market competition, and evolving customer demands. Such investments not only improve individual performance but also strengthen organizational innovation and competitiveness.

From a practical perspective, these findings indicate that PT Astra International Tbk should continue strengthening its employee development strategy by ensuring that development programs are closely aligned with organizational objectives and employees' competency needs. Training effectiveness should be continuously evaluated through post-training performance assessments, mentoring outcomes, and competency measurements to ensure that learning outcomes are successfully transferred into workplace performance. Furthermore, personalized career development plans may further enhance employee engagement and organizational commitment, ultimately improving long-term organizational performance.

The Influence of Work Discipline on Employee Performance

The results of this study reveal that work discipline has a positive and statistically significant influence on employee performance. The regression coefficient ($\beta = 0.362$) and standardized beta coefficient ($\beta = 0.344$) indicate that work discipline contributes approximately 34.4% to employee performance improvement. The significance level ($p < 0.001$) confirms that the second hypothesis is accepted, demonstrating that employees who maintain high levels of discipline tend to exhibit superior work performance.

These findings are consistent with Hasibuan (2020), who argues that work discipline represents one of the most fundamental aspects of organizational effectiveness because disciplined employees demonstrate responsibility, punctuality, compliance with organizational rules, and commitment to organizational objectives. Similarly, Rivai and Sagala (2021) explain that work discipline reflects employees' willingness to voluntarily comply with organizational regulations, thereby creating a productive and harmonious working environment.

Within PT Astra International Tbk, work discipline contributes significantly to operational efficiency because employees consistently adhere to attendance regulations, standard operating procedures, workplace ethics, and performance standards. Employees with stronger discipline demonstrate greater consistency in completing tasks on schedule, minimizing operational errors, maintaining work quality, and collaborating effectively with colleagues. These behavioral characteristics directly contribute to higher organizational productivity.

The findings also support the perspective proposed by Armstrong and Taylor (2020), who emphasize that organizations with effective disciplinary systems generally experience greater operational efficiency, reduced organizational conflict, and stronger employee accountability. A disciplined workforce minimizes unnecessary delays, absenteeism, and procedural violations, allowing organizational resources to be utilized more efficiently.

Moreover, work discipline contributes to shaping organizational culture. Employees who consistently demonstrate professional behavior become role models for their colleagues, encouraging the development of a positive organizational climate characterized by responsibility, integrity, and mutual accountability. Such organizational culture strengthens teamwork, enhances employee motivation, and ultimately contributes to improved organizational performance.

From a managerial perspective, PT Astra International Tbk should continue reinforcing disciplinary policies through transparent performance monitoring systems, consistent enforcement of organizational regulations, fair reward and punishment mechanisms, and leadership commitment. Managers should also emphasize preventive approaches by fostering employees' internal motivation to maintain discipline rather than relying solely on punitive measures.

The Simultaneous Influence of Employee Development and Work Discipline on Employee Performance

The findings further demonstrate that employee development and work discipline simultaneously have a positive and statistically significant influence on employee performance. The coefficient of determination ($R^2 = 0.732$) indicates that the two independent variables jointly explain 73.2% of the variance in employee performance, while the remaining 26.8% is influenced by other variables not included in the present study, such as leadership style, organizational culture, work motivation, job satisfaction, compensation, organizational commitment, and employee engagement. The F-test result ($F = 159.485$, $p < 0.001$) confirms that the regression model is highly significant and that the third hypothesis is accepted.

These findings support Dessler's (2020) strategic human resource management perspective, which emphasizes that organizational performance is optimized when employee competency development is accompanied by strong behavioral discipline. Employee development provides employees with the necessary knowledge and capabilities to perform effectively, whereas work discipline ensures that these competencies are consistently translated into productive workplace behaviors. Therefore, the combination of competency enhancement and behavioral compliance creates a synergistic effect that produces substantially greater performance improvements than either factor alone.

The results also align with the integrated human resource management framework proposed by Mathis et al. (2021), which argues that organizational performance is influenced by multiple interconnected human resource practices rather than isolated interventions. Employee development increases employees' capabilities, while work discipline ensures that those capabilities are effectively utilized within organizational procedures and performance expectations. Consequently, organizations implementing both strategies simultaneously are more likely to achieve sustainable performance improvements.

The relatively high coefficient of determination obtained in this study demonstrates that employee development and work discipline represent two of the most influential factors affecting employee performance within PT Astra International Tbk. Nevertheless, because approximately 26.8% of employee performance remains unexplained, future studies should incorporate additional organizational variables such as transformational leadership, organizational culture, employee engagement, psychological empowerment, compensation, work-life balance, and organizational commitment to obtain a more comprehensive understanding of employee performance determinants.

Overall, the findings of this study highlight that sustainable organizational performance cannot be achieved solely through technical competency development or strict disciplinary enforcement. Instead, organizations require an integrated human resource management strategy that simultaneously develops employees' competencies while cultivating a strong culture of discipline, accountability, professionalism, and continuous improvement. Such a balanced approach enables organizations to maximize employee potential, strengthen organizational competitiveness, and maintain long-term business sustainability in an increasingly competitive global environment.

CONCLUSION

Based on the findings of this study and the subsequent discussion, it can be concluded that **employee development** has a positive and statistically significant effect on employee performance at PT Astra International Tbk, contributing 46.8% to employee performance improvement. This finding indicates that investments in employee development initiatives, including technical training, mentoring, leadership development, career planning, and continuous learning programs, play a crucial role in enhancing employees' competencies, work effectiveness, and overall job performance. Employees who participate in well-structured development programs are better equipped to perform their responsibilities efficiently, adapt to organizational changes, and contribute to the company's strategic objectives.

The study also reveals that **work discipline** has a positive and significant influence on employee performance, contributing 34.4% to performance improvement. Employees who consistently demonstrate punctuality, comply with organizational rules and procedures, fulfill their responsibilities, and maintain professional behavior tend to achieve higher levels of work quality and productivity. These findings emphasize that a strong culture of discipline is essential for creating an orderly and productive work environment that supports the achievement of organizational goals.

Furthermore, the results indicate that employee development and work discipline simultaneously have a positive and statistically significant effect on employee performance, explaining 73.2% of the variance in employee performance. This substantial contribution demonstrates that the integration of competency development and disciplined work behavior produces a stronger impact on employee performance than either factor alone. The findings suggest that organizations can maximize employee performance by implementing comprehensive human resource management strategies that simultaneously enhance employees' knowledge, skills, and professional attitudes while fostering a culture of discipline and accountability.

Based on these findings, PT Astra International Tbk is encouraged to continuously improve the effectiveness of its employee development programs by aligning training and career development initiatives with the competency requirements of each business unit. In addition, the company should strengthen its work discipline system through consistent policy implementation, transparent performance monitoring, and fair reward and corrective mechanisms. Finally, management is recommended to develop integrated human resource strategies that combine competency development with character building, professional ethics, and work discipline, thereby creating a highly competent, disciplined, and high-performing workforce capable of sustaining the company's long-term competitiveness in an increasingly dynamic business environment.

REFERENCE

- Armstrong, M., & Taylor, S. (2020). *Armstrong's Handbook of Human Resource Management Practice* (15th ed.). Kogan Page Publishers.
- Bernardin, H. J., & Russell, J. E. A. (2020). *Human Resource Management: An Experiential Approach* (7th ed.). McGraw-Hill Education.
- Colquitt, J. A., LePine, J. A., & Wesson, M. J. (2020). *Organizational Behavior: Improving Performance and Commitment in the Workplace* (6th ed.). McGraw-Hill Education.
- Dessler, G. (2020). *Human Resource Management* (16th ed.). Pearson Education.
- Hasibuan, M. S. P. (2020). *Manajemen Sumber Daya Manusia* (Revisi ed.). Bumi Aksara.
- Mangkunegara, A. A. A. P. (2021). *Manajemen Sumber Daya Manusia Perusahaan* (15th ed.). Remaja Rosdakarya.
- Mathis, R. L., Jackson, J. H., Valentine, S. R., & Meglich, P. (2021). *Human Resource Management* (16th ed.). Cengage Learning.
- Mondy, R. W., & Martocchio, J. J. (2022). *Human Resource Management* (15th ed.). Pearson Education.
- Noe, R. A., Hollenbeck, J. R., Gerhart, B., & Wright, P. M. (2020). *Human Resource Management: Gaining a Competitive Advantage* (12th ed.). McGraw-Hill Education.
- Rivai, V., & Sagala, E. J. (2021). *Manajemen Sumber Daya Manusia untuk Perusahaan: Dari Teori ke Praktik* (4th ed.). Rajawali Pers.
- Robbins, S. P., & Judge, T. A. (2021). *Organizational Behavior* (18th ed.). Pearson Education.

Sutrisno, E. (2021). Manajemen Sumber Daya Manusia (13th ed.). Kencana.