The Effect of Understanding the Regulation on Working Discipline and Employees Performance of Procurement of Government Goods / Services

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Abstract: This study aims to determine the effect of understanding the rules on work discipline and employee performance, using a survey method approach conducted on 89 civil servants implementing procurement of goods / services in the Muna Regency government. The data analysis tool used is the concept of structural Equation Models with the Smart PLS program. The results of this study indicate that understanding the rules has a positive and significant effect on work discipline and employee performance, and work discipline has a positive and significant effect on employee performance. The better the employee's understanding of the procurement rules of goods / services will improve work discipline and employee performance, and the higher employee employment rates will also improve employee performance.

Keyword: Understanding the rules, work discipline, employee performance

I. Introduction

At present Indonesia continues to reform the bureaucracy and administration, including in the procurement of government goods / services. The institutions that have the authority to formulate policies related to government goods / services procurement are the Government Goods / Services Procurement Policy Agency.

The regulation on procurement of government goods / services, namely Presidential Regulation Number 54 of 2010 and has undergone several changes to date, the latest of which is the Presidential Regulation Number 4 of 2015 concerning Procurement of Government Goods / Services. In the Implementation of Government Goods / Services Procurement activities can be carried out through Providers and self-management. Procurement of goods / services in the government environment which is expected to be able to increase the efficiency and effectiveness of the use of the budget in fact still faces many problems. The process of selecting goods / services providers carried out by ULP often raises various presumptions, especially from prospective suppliers of goods / services. In general, the presumptions that arise include ULP allegedly not neutral in carrying out the process of selecting suppliers of goods / services, not thorough in conducting evaluations, complicating the registration process of procurement packages by making sufficient requirements, buying time in the procurement process by finding faults in procurement documents, do not carry out tender procedures properly and correctly, ULP has prospective suppliers of goods / services to be selected as the winner of the selection of goods / services providers.

This happens because the implementers of the procurement of goods / services often do not understand the existing rules, so they make rules which ultimately lead to disappointment and public disbelief in the ULP and Pokja. Another interesting phenomenon faced by ULP and Pokja is that there are still limited personnel who have certificates of procurement of goods / services so that the ability of working group members to carry out procurement of goods / services is perceived to be low, so it is believed that the performance of goods and service providers is not optimal. On the other hand, the community indicates that employees who work as providers of goods / services (Pokja and ULP) are not disciplined in carrying out their duties and responsibilities well, such as indications that the procurement of goods / services does not carry out the auction procedures properly and correctly.

One of the most important factors to be managed by an organization well in achieving organizational goals is a factor of human resources. The importance of the role of human resources in achieving organizational goals has been of much concern to researchers to date, especially about individual performance in organizations or employee performance, because whether or not an organization's goals are developed or developed depends on the performance of individuals within the organization. The use of human resources in organizations must
lead to improvements in individual performance, such as service quality. Service quality has been recognized as one element of employee performance in service organizations such as public sector organizations (Azmi et al., 2009; Clarke, 2002; Schumaker, 2004)

There are many things that are the focus of attention related to individual performance, where one of them is the work discipline of members of the organization. Work discipline is one of the important factors that play a role in determining the performance of organizational members because employees who have high discipline will work in accordance with the rules and always try to complete the task well and on time. Work discipline is an attitude and action in obeying all the guidelines and regulations that have been determined to achieve organizational goals. Discipline is closely related to employee behavior and affects performance. (Alma, 2003; Simamora, 2006; Prasetyo, 2016). Work discipline is one of the important factors that influence employee performance (Prasetyo, 2016; Ni Luh Sekarani, 2016; Jajang Amirosso and Mulyanto, 2015.; Sitorus and Bachri, 2014; Luviansi et al., 2012; Tito Irawanto et al., 2014 ), where high work discipline will encourage a high increase in employee performance.

However, the findings of Ferriyal and Ferdinand (2017) show that employees who are disciplined at work do not always have high performance. This condition shows that the study of the influence of work discipline on employee performance is still inconsistent and gives different results, so there are still opportunities for re-testing.

Another important factor that has a role in improving employee performance is understanding the rules relating to the duties and responsibilities of employees (I Dewa Made Endiana and I Made Sudiartana, 2016; Agnesia Sitinjak and Suryo Hartanto, 2017). Understanding of regulations is a way for someone to understand existing regulations (Nerissa Arviana and Arja Sadjianto, 2014). Someone who understands the existing regulations will carry out their duties and responsibilities in accordance with the rules stated in the existing regulations (Nerissa Arviana and Arja Sadjianto, 2014), as well as implementers of procurement of goods / services that understand government procurement regulations. Obviously, it tends to be more obedient in carrying out its duties when compared to executors of procurement of goods / services that do not understand the stomach. The higher the employee's understanding of existing regulations, it can be ascertained that there is an increase in performance of the employee (Erna Dwi Wahyuningrum, 2008).

Understanding of employees greatly contributes to employee discipline and employee performance (Agnesia Sitinjak and Suryo Hartanto, 2017). Understanding existing regulations will greatly facilitate employees in carrying out their duties and responsibilities including in decision making (I Dewa Made Endiana and I Made Sudiartana, 2016).

Based on the search results of previous studies, it is shown that understanding the rules affects performance (I Dewa Made Endiana and I Made Sudiartana, 2016; Agnesia Sitinjak and Suryo Hartanto, 2017). Employees who understand the existing regulations will work according to the rules stated in the existing regulations (Nerissa Arviana and Arja Sadjianto, 2014), because understanding the rules will greatly help employees in carrying out their duties and responsibilities including in decision making (I Dewa Made Endiana and I Made Sudiartana, 2016). However, the search results carried out have not found the results of previous research studies that examine the relevance of understanding regulations on employee performance, whereas according to Nerissa Arviana and Arja Sadjianto (2014) states that employees who understand the existing regulations will work according to the rules stated in existing regulations. This means that employees who understand the rules are certainly more disciplined than employees who do not understand the rules. This is also confirmed by I Dewa Made Endiana and I Made Sudiartana (2016) which states that employees who understand the rules will carry out work discipline well, especially helping employees to be more disciplined in making decisions.

This research was conducted with the aim of knowing and analyzing the effect of understanding the regulation on working discipline and employees performance of procurement of government goods / services

II. Literature and Hypothesis Study

Information about the influence of understanding government procurement regulations and work discipline will be useful for the sustainability of an organization, therefore the approach used to explain the understanding of government procurement of goods / services regulations, work discipline and employee performance in organizations is resource management human (human resources management) and organizational behavior (organizational behavior).

2.1 Effect of Understanding of Government Goods / Services Procurement Regulations To Employee Performance Implementing Government Goods / Services Procurement in Muna Regency.

Procurement of goods and services literally according to the Big Indonesian Dictionary (KBBI), which means an offer to propose prices and buy jobs for the supply of goods / services. Procurement of government goods / services according to Article 1 number 1 of Presidential Decree Number 80 of 2003 concerning

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Procurement of Government Goods and Services is the activity of procurement of goods and services financed by the state / regional income and expenditure budget, both carried out independently and by providers of goods and services.

The definition of goods and services is then revised through Article 1 number 1 of the Presidential Regulation Number 54 of 2010 concerning Procurement of Government Goods and Services which explains that Procurement of Goods and services is an activity to obtain goods and services by ministries / Institutions / Regional Work Units / other Institutions hereinafter referred to as K / D / L / I whose process starts from planning needs to completion of all activities to obtain goods and services.

Understanding can be interpreted as a process, action, how to understand or understand. Individuals who do not understand the rules clearly tend to be obedient individuals (Big Indonesian Dictionary, 2005). The level of understanding is a process of increasing knowledge intensively by an individual and the extent to which he can correctly understand a problem to be known (Josephine and Retnaningtyas, 2013), in understanding something a person will be influenced by experience, knowledge and abilities.

Understanding the rules for implementing government procurement of goods / services has an effect on increasing employee performance (Erna Dwi Wahyuningrum, 2008; I Dewa Made Endiana and I Made Sudiartana, 2016). The higher the employee's understanding of existing regulations, it can be ascertained that there is an increase in performance of the employee (Erna Dwi Wahyuningrum, 2008). Understanding of employees greatly contributes to employee performance (Agnesia Sitinjak and Suryo Hartanto, 2017). Understanding existing regulations will greatly facilitate employees in carrying out their duties and responsibilities including in decision making (I Dewa Made Endiana and I Made Sudiartana, 2016).

Based on this, the first hypothesis proposed in this study is:

Hypothesis 1: Understanding of government procurement of goods / services has a positive and significant effect on Government Employee / Goods Procurement Employee Performance in Muna Regency

2.2 Effect of Understanding of Government Goods / Services Procurement Regulations To work discipline

The level of understanding is a process of increasing knowledge intensively by an individual and the extent to which he can correctly understand a problem he wants to know (Josephine and Retnaningtyas, 2013). Nerissa Arviana and Arja Sadjianto (2014) state that employees who understand the existing regulations will work according to the rules stated in the existing regulations. This can mean that employees who understand the rules are certainly more disciplined than employees who do not understand the rules. This is also confirmed by I Dewa Made Endiana and I Made Sudiartana (2016) which states that employees who understand the rules will carry out work discipline well, especially helping employees to be more disciplined in decision making.

Referring to this, the hypothesis 2 proposed in this study is

Hypothesis 2: Understanding government procurement of goods / services regulations has a positive and significant effect on work discipline of employees implementing government goods / services procurement in Muna Regency

2.3 Effect of Work Discipline To Employee Performance Implementing Government Goods / Services Procurement in Muna Regency

Discipline is closely related to employee behavior and affects performance. Increasing employee work discipline will have an impact on the better performance of employees (Jajang Amiroso and Mulyanto, 2015). The more disciplined the employee in carrying out his duties and work will have an impact on employees will increasingly work in accordance with the rules so that work performance will increase. Work discipline has an influence on improving employee performance (Juhana and Haryati, 2013; Bonar and Khaira, 2014; Alalade and Oguntodu, 2015; Ferriyal and Ferdinand, 2017). Improving work discipline will have an impact on improving employee performance (Bonar and Khaira, 2014).

Based on this, the hypothesis 3 proposed in this study is:

Hypothesis 3: Work discipline has a positive and significant effect on the performance of Government Procurement of Goods / Services in Muna Regency

III. Research Methods

This research was carried out in Muna Regency for all civil servants who served as executors of government procurement of goods / services in Muna Regency, namely 89 people. This research was conducted
IV. Research Results And Discussion

Based on the results of data analysis using SmartPLS the results are:

![Figure 4.1. Full Model]

Based on the results of the bootstrapping process as shown in Figure 4.1. full model above, the path coefficient value in this research model can be presented in Table 4.1. The following hypothesis test:

<table>
<thead>
<tr>
<th>Hypotesis</th>
<th>Pengaruh</th>
<th>Original Sample</th>
<th>T-Statistik</th>
<th>T-Tabel</th>
<th>Keterangan</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Pemahaman Peraturan Kinerja Pegawai</td>
<td>0.218</td>
<td>2.149</td>
<td>1.662</td>
<td>T-statistik &gt; T-table</td>
</tr>
<tr>
<td>2</td>
<td>Pemahaman Peraturan Disiplin Kerja</td>
<td>0.610</td>
<td>3.407</td>
<td>1.662</td>
<td>T-statistik &gt; T-table</td>
</tr>
<tr>
<td>3</td>
<td>Disiplin Kerja Kinerja Pegawai</td>
<td>0.773</td>
<td>11.718</td>
<td>1.662</td>
<td>T-statistik &gt; T-table</td>
</tr>
</tbody>
</table>

Based on the results of the data in table 4.1 above, it can be seen in testing each hypothesis that has been proposed, namely:

1. The original sample estimate value between the effect of understanding the regulations on the performance of government procurement officers in Muna Regency is 0.218 and is positive. T-count value (T-Statistic) of 2.149 is greater than the T-table of 1.662. This value indicates that understanding the rules has a positive and significant effect on the performance of employees implementing government procurement of goods / services in Muna Regency, thus the first hypothesis is accepted, meaning the better understanding of the regulations, the better the performance of employees. The results of this study found that understanding good regulations will make employee performance increase, where the ability of employees to help employees understand and implement government procurement regulations, the level of education of employees helps employees understand and implement government procurement regulations and employee experience help employees understand and implement government procurement regulations so that employees are always ready and able to complete additional tasks given by superiors, all tasks and responsibilities charged can be resolved, never late in completing work and implementing time efficiency in carrying out work.

2. The original sample estimate value between the effect of understanding the rules on work discipline is 0.610 and is positive. T-count value of 3.407 is greater than the T-table of 1.662. This value shows that understanding the rules has a positive and significant effect on work discipline, thus the second hypothesis is accepted, meaning the better understanding of the rules, the better work discipline of employees. The results of this study prove that employee understanding of regulations supported by the ability of employees, the level of education of employees and the experience possessed by employees help him...
understand the existing regulations so as to encourage employees to be more disciplined towards the responsibilities assigned to them.

3. The original sample estimate value between the influence of work discipline on employee performance is 0.773 and is positive. The T-count value is 11.718 greater than the T-table 1.662. This value shows that work discipline has a positive and significant effect on employee performance, thus the third hypothesis is accepted, meaning the better the work discipline of employees, the better the performance of employees. The results of this study prove that employees who are increasingly disciplined in carrying out their work are shown by disciplined employees towards the responsibilities given to them, discipline in dress and implementation of rules and discipline over time will be able to complete all tasks assigned to him, completing his tasks on time , carry out its work according to the budget provided and complete the work with higher quality results.

V. Limitations And Future Research

This research has been carried out with all the power to approach perfection, but as a normal human being there are still some things that have not been able to be realized in this study, including:

1. This study has limitations in exploring the results of research related to the variable understanding of rules because of the limited reference of research on understanding the regulations in the field of management so that the references used are mostly sourced from the fields of accounting, taxation and law. Therefore, it is expected in the future for researchers in the future to continue this research so as to add a reference to the regulatory understanding variable

2. The approach used in analyzing this study uses quantitative analysis, but to obtain more detailed information related to the understanding of rules, work discipline and employee performance is quite limited. Therefore, it is recommended for future research to develop this research using a qualitative approach so that researchers have more space in exploring research results.

References


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