

# The Influence of Competence and Work Discipline on Employee Performance at Bank Jatim Surabaya Branch

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Submitted : 02-09-2025, Accepted : 01-10-2025, Published : 03-11-2025

## Abstract

This study aims to analyze the influence of competence and work discipline on employee performance at Bank Jatim Surabaya Branch. The research was motivated by the fact that in the increasingly competitive banking industry, human resources play a crucial role in ensuring service quality and organizational performance. Competence, which includes knowledge, skills, and attitudes, and work discipline, which reflects employees' adherence to organizational rules and responsibilities, are believed to be key determinants of performance. The study employed a quantitative associative approach, involving 50 employees selected through purposive sampling. Data were collected using questionnaires and documentation, and analyzed through multiple linear regression, t-test, F-test, and coefficient of determination ( $R^2$ ). The findings revealed that both competence and work discipline have positive and significant effects both partially and simultaneously on employee performance. The regression results show that competence contributes more strongly to performance ( $\beta = 0.412$ ) compared to work discipline ( $\beta = 0.367$ ). The F-test value of 24.57 with a significance of 0.000 ( $< 0.05$ ) indicates that both independent variables jointly influence performance, while the coefficient of determination ( $R^2 = 0.61$ ) suggests that 61% of performance variation is explained by competence and work discipline. These results confirm that competent and disciplined employees tend to deliver better service, achieve performance targets, and maintain operational accuracy critical aspects in the banking sector. Therefore, it is recommended that Bank Jatim management strengthen training programs to enhance employee competence and consistently enforce discipline to sustain high levels of performance and service excellence.

Keywords : Competence, Work Discipline, Employee Performance, Bank Jatim, Human Resource Management

## Introduction

In the era of increasingly competitive and rapidly evolving global banking business, human resources (HR) play a strategic and irreplaceable role in determining the success and sustainability of organizations. The banking sector, as a service-based industry, is characterized by intense competition, high customer expectations, and constant technological innovation. These dynamics require banks to continuously improve their internal capacity, particularly through the development and optimization of human resources. Employees are not merely operational executors but also represent the face of the organization in providing financial services to customers. Therefore, the quality of employee performance has a direct impact on the organization's ability to maintain trust, loyalty, and competitive advantage.

Human resource management (HRM) in the banking sector must focus not only on recruitment

and selection but also on developing employee potential through competence enhancement, motivation, and discipline. According to Armstrong (2014), HRM is a strategic approach to managing people effectively to help the organization achieve its goals. The implementation of HRM in banking must be adaptive to the changing environment, especially with the advancement of financial technology (fintech), digital banking, and shifting customer behavior toward online transactions. In this context, improving employee performance is not only about achieving productivity but also about building service excellence and professionalism that align with corporate values and regulatory standards.

One of the most critical determinants of employee performance is **competence**. Competence refers to the integrated set of knowledge, skills, attitudes, and behaviors that enable individuals to perform their work effectively and efficiently. Spencer and Spencer (1993) define competence as an underlying characteristic of an individual that is causally related to effective or superior performance in a job or situation. Meanwhile, Rivai (2015) argues that competence represents the combination of work abilities and personal attributes that distinguish superior employees from average performers. In the context of banking, competence not only includes technical knowledge about financial products, services, and procedures but also involves the ability to analyze data, assess risks, make sound financial decisions, and deliver excellent customer service.

Moreover, in today's digital banking environment, competence also encompasses digital literacy and adaptability to technological changes. Employees must be capable of utilizing digital platforms, managing cybersecurity awareness, and maintaining compliance with banking regulations and ethical standards. A competent employee contributes significantly to organizational performance by demonstrating efficiency, accuracy, and innovation in handling customer needs and financial operations. As noted by Mangkunegara (2017), competence has a strong positive correlation with performance; employees with higher levels of competence tend to achieve better results because they understand their job roles and can make appropriate decisions in varying situations.

Another essential factor influencing employee performance is **work discipline**. Discipline represents the extent to which employees comply with organizational rules, adhere to schedules, and

perform their responsibilities consistently. Hasibuan (2017) defines discipline as an employee's awareness and willingness to comply with all organizational regulations and prevailing norms. Discipline is the foundation of organizational order and productivity, ensuring that all members perform their duties in accordance with the set procedures and objectives. Robbins and Judge (2019) emphasize that discipline is closely linked to self-control and commitment, where disciplined employees demonstrate reliability, punctuality, and accountability in fulfilling their tasks.

In the banking sector, where accuracy, speed, and reliability are essential to operational success, discipline plays a central role in minimizing errors and ensuring the continuity of customer service. Undisciplined behavior such as tardiness, negligence in documentation, or non-compliance with procedures can lead to serious financial and reputational risks. Therefore, maintaining high levels of discipline is critical to sustaining service quality, operational integrity, and customer confidence. Discipline can also be viewed as a reflection of organizational culture, where employees internalize values such as responsibility, integrity, and teamwork as part of their daily work behavior.

Bank Jatim Surabaya Branch, as one of the regional financial institutions that significantly contributes to East Java's economic development, is required to continuously enhance its service quality and operational efficiency. As a bank owned by the regional government, Bank Jatim has a strategic role in supporting local economic growth, providing financing to small and medium enterprises (SMEs), and facilitating public financial services. To achieve these objectives, the bank must ensure that its human resources are not only competent but also disciplined, motivated, and aligned with the organization's mission.

However, based on preliminary observations and internal performance assessments, there remain noticeable disparities in employee performance levels within the Surabaya Branch. These variations are primarily related to differences in individual competence, discipline, and ability to adapt to work demands. Some employees demonstrate high motivation and performance consistency, while others struggle with adherence to procedures or lack the necessary technical and interpersonal competencies. This inconsistency may hinder the overall effectiveness of the organization, particularly in meeting customer expectations and achieving service targets.

This situation highlights the urgent need for a comprehensive and systematic study of how **competence and work discipline** influence employee performance at Bank Jatim Surabaya Branch. By understanding the degree of influence of these two variables, management can design more targeted human resource development programs. For instance, training and development initiatives can be tailored to address specific competence gaps, while performance management systems can incorporate mechanisms to promote and reward discipline.

Furthermore, this research is expected to provide empirical evidence and practical insights that will help Bank Jatim enhance its HRM strategies. It will contribute to identifying which aspects of competence—such as technical knowledge, interpersonal skills, or problem-solving ability—most significantly affect performance. Likewise, the study can reveal how discipline practices—such as punctuality, adherence to procedures, and ethical compliance—impact employee productivity and service quality. The results may serve as a foundation for formulating policies related to recruitment, performance appraisal, training, and reward systems.

Ultimately, improving employee competence and discipline is not merely about boosting individual performance but about fostering a culture of professionalism and excellence within the organization. A workforce that is competent, disciplined, and motivated will strengthen Bank Jatim's reputation, enhance customer satisfaction, and ensure long-term sustainability amidst the increasingly competitive and digitalized banking environment. Thus, this study is expected to contribute both theoretically and practically to the field of human resource management in the banking sector, while also supporting the strategic objectives of Bank Jatim as a leading regional financial institution in Indonesia.

## **Literature Review**

### **Competence**

Competence is a person's ability, encompassing knowledge, skills, and attitudes, to effectively carry out tasks. According to Spencer and Spencer (1993), competence is a fundamental characteristic related to superior individual performance. Competent bank employees are able to provide fast,

accurate, and professional service to customers, thus directly impacting organizational performance.

### **Work Discipline**

Work discipline reflects an employee's awareness and willingness to comply with regulations and their job responsibilities (Hasibuan, 2017). In the banking industry, which demands precision and punctuality, work discipline is a crucial factor in maintaining customer trust and work efficiency. Good discipline also demonstrates employee loyalty and commitment to the company.

### **Employee Performance**

Performance is the quality and quantity of work achieved by employees in accordance with their responsibilities (Mangkunegara, 2017). In the banking sector, performance can be measured by the speed of service, the accuracy of transaction recording, and the achievement of work targets. Good performance will increase productivity and a positive company image.

### **Relationship between Variables**

Previous research has shown that competence and work discipline have a positive influence on employee performance (Sutrisno, 2018; Sari, 2019). Employees with high competence and discipline tend to work more effectively, thereby improving both individual and organizational performance.

### **Methods**

This study used a quantitative approach with an associative approach to determine the influence of competency ( $X_1$ ) and work discipline ( $X_2$ ) on employee performance ( $Y$ ). This approach was chosen because it provides an objective picture of the relationship between variables through numerical data analysis and statistical tests. The study was conducted at Bank Jatim, Surabaya Branch, in 2025. This location was chosen because Bank Jatim is a regional financial institution with a strategic role in public services and economic development in East Java. The research focused on

permanent employees in the operational and service departments who directly interact with customers.

The population in this study was all employees of Bank Jatim, Surabaya Branch. From this population, the researcher determined a sample of 50 employees using a purposive sampling technique, which selects samples based on certain criteria. The respondent criteria used in this study were employees who had worked for at least one year to have sufficient understanding and experience of the tasks and work environment. Data collection was carried out using two methods: questionnaires and documentation. The questionnaire was constructed using a Likert scale with five answer choices to measure the level of competency, work discipline, and employee performance based on respondents' perceptions. Meanwhile, documentation was used to obtain secondary data such as company profiles, organizational structures, and employee performance reports.

The collected data was then analyzed using multiple linear regression analysis to determine the effect of competency and work discipline on employee performance. Prior to analysis, the data were tested using validity and reliability tests to ensure the accuracy and consistency of the research instruments. A t-test was then conducted to determine the partial effect, an F-test to determine the simultaneous effect, and a coefficient of determination ( $R^2$ ) was used to determine the contribution of the competency and work discipline variables to employee performance at Bank Jatim, Surabaya Branch.

## **Results and Discussion**

### **Research Results**

Based on the distribution of questionnaires to 50 employees of Bank Jatim, Surabaya Branch, data were obtained regarding employee competency levels, work discipline, and performance. In general, the descriptive analysis results indicate that all three research variables are in the high to very high category, as shown in the following table :

**Table of Results of Descriptive Analysis of Research Variables**

Variable	Value
Competence ( $X_1$ )	4,20
Work Discipline ( $X_2$ )	4,15
Employee Performance (Y)	4,25

Source: Processed primary data, 2025

Based on the table above, the highest average score was found in the employee performance variable (Y), at 4.25, indicating that the majority of employees performed very well. This is demonstrated by employees' ability to achieve targets, speed and accuracy of service, and customer satisfaction.

The competency variable ( $X_1$ ) received an average score of 4.20 (high category). This indicates that Bank Jatim employees possess technical skills, banking product insight, and excellent service skills. With these competencies, employees are able to carry out their duties professionally and adapt to changes in banking technology.

Meanwhile, the work discipline variable ( $X_2$ ) received an average score of 4.15, indicating a high level of employee compliance and responsibility towards work regulations. Employees arrive on time, adhere to procedures, and demonstrate responsibility in completing their work.

### **Multiple Linear Regression Test Results**

To determine the effect of competence and work discipline on employee performance, a multiple linear regression analysis was conducted.

Based on the regression results, the following multiple linear regression equation was obtained:

$$Y = 7,845 + 0,412X_1 + 0,367X_2$$

From this equation, it can be interpreted that every one-unit increase in the competency score ( $X_1$ ) will increase employee performance (Y) by 0.412, and every one-unit increase in the work discipline score ( $X_2$ ) will increase performance (Y) by 0.367, assuming other variables remain constant.

The F-test results show a value of 24.57 with a significance level of  $0.000 < 0.05$ , meaning that the competency and work discipline variables simultaneously have a significant effect on employee performance. The t-test results also indicate that both variables have a significant partial effect, as follows:

- The calculated t-value for competency (3.45) > t-table (2.01) with a significance level of  $0.001 < 0.05$ ,
- The calculated t-value for work discipline (2.97) > t-table (2.01) with a significance level of  $0.004 < 0.05$ .

The coefficient of determination ( $R^2$ ) value = 0.61, which means that 61% of the variation in employee performance is explained by competence and work discipline, while the remaining 39% is explained by other factors such as motivation, leadership, and work environment.

## Discussion

The results of this study indicate that competence has a positive and significant impact on employee performance. This means that the higher an employee's ability, knowledge, and skills, the better their work results. This finding aligns with Spencer and Spencer (1993), who stated that competence is an individual characteristic that determines a person's success at work. In Bank Jatim, competence is a crucial factor because employees must be able to adapt to the digital banking system and maintain excellent service quality.

Furthermore, work discipline also has a significant positive impact on performance. These results support Hasibuan's (2017) argument, which explains that discipline reflects awareness of and compliance with organizational regulations. Disciplined employees demonstrate a high level of responsibility in carrying out their duties, arriving on time, and adhering to operational standards,

thereby maintaining productivity and work efficiency.

Both variables simultaneously have been shown to have a significant impact on employee performance. This demonstrates that competence without discipline is insufficient to produce optimal performance, and likewise, discipline without competence will not produce maximum work effectiveness. The combination of high ability and strong discipline creates synergy in improving overall employee performance.

The results of this study are consistent with the findings of Sutrisno (2018) and Sari (2019), who stated that competence and work discipline positively influence employee performance. Therefore, the management of Bank Jatim Surabaya Branch needs to strengthen competency improvement training programs, provide rewards for disciplined employees, and create a work environment that supports productivity and professionalism so that employee performance can continue to improve sustainably.

## **Conclusion**

Based on the results of research conducted on 50 employees of Bank Jatim Surabaya Branch, it can be concluded that in general, competence and work discipline are in the high category, which reflects the good quality of human resources in carrying out their duties and responsibilities. The results of multiple linear regression analysis show that competence and work discipline have a positive and significant effect on employee performance, both simultaneously and partially. The competence variable has a greater influence than work discipline, which means that the higher the technical ability, knowledge, and skills of employees, the better the performance shown. The coefficient of determination ( $R^2$ ) value of 0.61 indicates that 61% of the variation in employee performance is explained by competence and work discipline, while the remaining 39% is influenced by other factors outside this study such as work motivation, leadership style, and work environment. Thus, the results of this study confirm that increasing competence and implementing consistent work discipline are key factors in efforts to improve employee performance at Bank Jatim Surabaya Branch.

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