
The Influence of Kaizen Culture, Work Discipline on Productivity with Implementation of Employee Performance at PT. Mandom Indonesia

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ABSTRACT

The aim of this research is to find out whether the performance of PT Mandom Indonesia and its kaizen culture influence productivity or not. The total population in this study was 128 people with the determination of the number of samples using the slovin formula which produced 114 respondents. This study uses the Structural Equation Modeling (SEM) analysis model to determine how much independent influence the dependent variable has through the intervening variables, carried out using the Lisrel 8.8 program. The results of this study prove that the kaizen culture has a significant and positive effect on productivity. Productivity is significantly and positively influenced by work discipline. Performance is not significantly affected by the kaizen culture. Performance is significantly affected by work discipline. Efficiency has a significant effect on execution. Productivity is significantly and positively influenced by the kaizen culture and work discipline. Kaizen culture, work discipline, efficiency have a significant effect on execution.

Keywords: Kaizen Culture, Work Discipline, Productivity, Performance

INTRODUCTION

Human resources or employees are executors and active actors of every business activity or business entity. Human resource management is an area of organizational management that focuses on human resources. One of the factors that influence the success of a company is human resources. For this reason, employees who have adequate abilities are needed to advance the company in order to achieve its goals. According to (Hidayat, 2021) The most important aspect of any business or organization is its human resources. Because every company activity involves human resources.

The company must be able to continue to be productive in producing the highest quality and sustainable products, based on these two things, which is one of the company's

goals. As a result, employee productivity at work becomes very important because if it is high, the company will be able to meet its profit goals and continue to supply customers with the products they need. Employee work discipline will enable them to do their jobs effectively and efficiently, and the company's kaizen culture will ensure productivity targets are met. Employees in a company agree on a work culture, namely patterns of behavior and good values that underlie the relationship between employees and superiors or stakeholders.

According to (Nilawati, 2020) The kaizen culture is continuous improvement and improvement that engages all employees of the company by developing a process-oriented and results-oriented way of thinking and a management system that recognizes and



supports employees' efforts to improve.

According to (Nilawati, 2020) "Work discipline is an attitude that needs to be applied by the company to each of its employees in an effort to improve performance in order to achieve the goals of an organization". According to Hasibuan (2006: 237; in Astutik 2016) Discipline is a form of awareness and a person's willingness to comply with all applicable social norms and company regulations. The discipline that an employee needs will help him achieve his goals. This will be achieved by cooperating with good business organizations that are aligned with the company's vision and mission. This is expected to encourage employees to be disciplined in their work so as to produce optimal employee performance and achieve company goals.

PT Mandom Indonesia, Tbk. A company that has established itself as one of the leading cosmetic manufacturers in Indonesia through expansion and development. Currently PT Mandom Indonesia, Tbk. To become a cosmetic manufacturer with many lines and provide high quality products to consumers. Then the work efficiency of representatives is very important to help satisfy product interests so that problems do not occur. Productivity is the main thing for the company in its production activities. The company's achievement target was not achieved, because production results fluctuated every day. According to (Saleh & Utomo, 2018) in Simamora (2004: 110) confirms that employee work productivity is the capacity to produce the best possible output and input to get maximum results from the available facilities and infrastructure.

The success of the company is inseparable from the participation of employees. Employees who show good performance will have a positive impact on the company. Better employee performance will

result in increased company productivity and help companies grow in the industry and have competitiveness. Therefore, performance measurement is the main thing that must be carried out and evaluated regularly.

According to Mathis and Jackson in (Stress et al., 2016) Performance is the result of the actions or inaction of employees. Employee performance is how much the employee contributes to the company, including output quantity, quality, duration, attendance at work, and cooperative attitude. The ability of an employee to complete all the tasks that are his responsibility is referred to as his employee performance (Suwanto et al., 2022).

LITERATURE REVIEW

Employee performance

According to (Sustainable & Afifah, 2021) Performance is an activity or process carried out in an effort to achieve a predetermined result.

According to (Syafrina, 2017) in Malayu SP Hasibuan (2013:95) there are several indicators of employee performance, namely:

- a. Employee loyalty to work which means willingness to always protect and defend the company, whether in the company or not.
- b. Achievement at work, namely the assessment of results at work. The quantity and quality of work employees obtain.
- c. Honesty, namely being honest in carrying out the tasks assigned by the company.
- d. Employee discipline, namely employees can comply with company regulations.
- e. Employee creativity, namely the ability of employees to develop their creativity to fulfill work.
- f. Cooperation between employees.

Work productivity

According to J. Simanjuntak (2011,

p.141) in (Students, 2017) Productivity is a standard for achieving results in business that compares the value of the results that can be achieved with the value of all the resources and efforts made to achieve these results.

According to (Faslah & Savitri, 2017) in Triton PB (2007:80) Work productivity is comparing results with the total amount of resources used or production of resources with the resources used. Consequently, productivity is a measure of the relationship between the resources used (labor, capital, natural resources, energy, and so on) and the overall quantity and quality of the resources used (goods and services).

According to Kusumaningrum & Muhtadin (2018) (in(Permana & Rachmawati, 2022)Kaizen is a type of organizational culture that aims to improve work safety, reduce operational costs, and improve production processes and product quality in a sustainable manner.

According to(CASA FRANCA LOAYZA, 2018)Kaizen culture indicators:

- a. Seiri (整理) (Brief) throws/sorts/ gets rid of stuff, files that are not used anymore to the dump.
- b. Seiton (整頓) (Neat) after summarizing things then tidying up.
- c. Seiso (清楚) (Clean) cleans the workplace, work space, equipment and work environment.
- d. Seiketsu (清潔) (Treat) routinely looks after the three stages that have been carried out previously.
- e. Shitsuke (躰守) (Diligent)

The principles of kaizen According to Wellington (1998:69) in (Pebrianti et al., 2019) that is:

- a. Focus on customers
- b. Make continuous improvements

Several indicators of work productivity indicators are as follows:

- a. Able to work
- b. Achievement of the results achieved.
- c. Have a passion for work
- d. Self-development
- e. Superiority
- f. And maximum use value

Kaizen Culture

Kaizen culture is continuous improvement with the goal of creating a way of thinking in processes and management systems that encourage and reward employee efforts for improvement.

- c. Openly admit the problem
- d. Encourage openness
- e. Creating team work
- f. Utilize cross-functional teams to control projects.
- g. Developing the process of an appropriate relationship
- h. Develop a disciplined personality

Work Discipline

According to Singodimendjo, 2011 "discipline is an attitude of willingness and willingness to obey and obey the norms of regulations that apply around it".(Astuti & Amallah, 2020)

According to Sastrohadiwiryono (2013:291) (in(Saleh & Utomo, 2018)work discipline is a willingness to accept the consequences that have been imposed and an attitude of respect, compliance with company regulations both written and unwritten.

Some indicators of work discipline indicators:

- a. Attendance Frequency
- b. Vigilance Level
- c. Adherence to work standards
- d. Obedience to work regulations

According to the theoretical review

above, that kaizen culture and work discipline affect work productivity both partially and simultaneously. In the next will be implemented on employee performance, which affects

partially and simultaneously. The flow of thought chart below exemplifies the previous frame of mind.

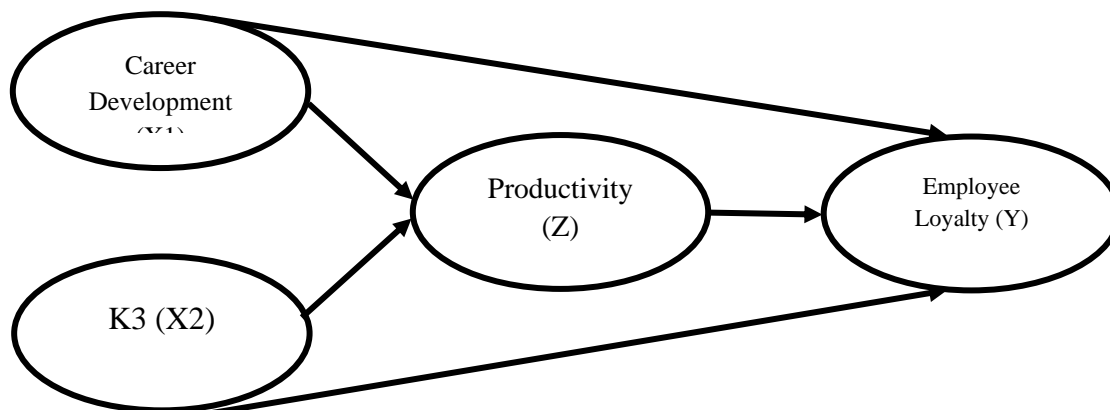


Figure 1. Theoretical Thinking Framework
 Source :Alyani et al., (2017)

METHODS

Research Variables

This study uses the kaizen culture variable (X1) and work discipline variable (X2) as the independent variable, employee performance variable (Y) as the dependent variable, and productivity variable (Z) as the intervening variable.

Population and Sample

The population of this research is 215 employees of PT Mandom Indonesia employees. This study uses a quantitative approach to test theory or describe statistics and show the relationship between the variables concerned, by taking samples using SEM mode and processing using the Lisler application version 8.8, with the number of samples determined by the Slovin formula as many as 114 respondents and data collection is done by distributing questionnaires. Sample measurement according to slovin's opinion:

$$n = N / (1 + (N \times e^2))$$

Information :

n : number of samples

N : total population

e : error rate (5%)

Based on field data the number of employees at PT. 128 employees of Mandom Indonesia. Researchers chose a sample of 114 employees to be used as research respondents using the Slovin formula which has an error rate of 5%. The author uses data collection methods of data collection, the authors use data collection techniques:

- Questionnaire, distributing a number of questions to collect data directly and in writing to each respondent who fits the predetermined criteria.
- Interviews, namely the author conducted employee interviews according to the criteria which included working period > 1 year. Researchers used a Likert scale (points 1 to 5) to distribute questionnaires to measure social phenomena by examining employee perceptions. PT. Mandom Indonesia. The variable indicators that will be converted into instruments will be used to group each variable to be measured.

c. statement for the instrument to be included in the questionnaire for research.

goodness of fit criteria must be used to assess the suitability of the model in this study.

According to Sudirman et al., (2020) in Santoso (2018) states that suitability must be evaluated using several criteria, including: The model is considered good if the RMSEA value is close to 1, and the GFI and AGFI values must also be close to 1 to indicate a fit model.

RESULTS AND DISCUSSION

Structural Method

By using the Lisrel 8.8 application, a multivariate Structural Equation Modeling (SEM) technique, this study tested the hypothesis statistically. Therefore, the

Size of Conformity Model of Measurement of All Variables

Variable	Goodness of Fit	Expected Size	Estimation Results	Conclusion
Kaizen Culture	Absolute Fit Size			
	GFI	>0.90	0.97	Good Fit
	RMSEA	<0.06	0.00	Good Fit
	Incremental Fit Size			
	NNFI	>0.90	1.00	Good Fit
	NFIs	>0.90	0.99	Good Fit
	AGFI	>0.90	0.93	Good Fit
	RFI	>0.90	0.98	Good Fit
	IFI	>0.90	1.00	Good Fit
Work Discipline	Absolute Fit Size			
	GFI	>0.90	0.94	Good Fit
	RMSEA	<0.06	0.082	Margin Fit
	Incremental Fit Size			
	NNFI	>0.90	0.98	Good Fit
	NFIs	>0.90	0.98	Good Fit
	AGFI	>0.90	0.84	Margin Fit
	RFI	>0.90	0.95	Good Fit
	IFI	>0.90	0.99	Good Fit
Productivity	Absolute Fit Size			
	GFI	>0.90	0.91	Good Fit
	RMSEA	<0.06	0.086	Margin Fit
	Incremental Fit Size			
	NNFI	>0.90	0.98	Good Fit
	NFIs	>0.90	0.97	Good Fit
	AGFI	>0.90	0.84	Margin Fit
	RFI	>0.90	0.95	Good Fit
	IFI	>0.90	0.98	Good Fit
Employee performance	Absolute Fit Size			
	GFI	>0.90	0.96	Good Fit
	RMSEA	<0.06	0.033	Good Fit
	Incremental Fit Size			
	NNFI	>0.90	1.00	Good Fit
	NFIs	>0.90	0.99	Good Fit
	AGFI	>0.90	0.92	Good Fit
RFI	>0.90	0.98	Good Fit	
IFI	>0.90	1.00	Good Fit	

	CFI	>0.90	1.00	Good Fit
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Validity test

Accuracy and company benchmarks are determined through these tests. This validity test is used to determine the validity of a questionnaire and what you want to measure. The validity test of the questionnaire aims to determine whether the questions posed by research subjects are valid or not. With a note that if r count $\geq r$ table then the instrument or question item correlates with the total score,

then it is declared valid and if r count $< r$ table then the instrument or question items do not correlate with the total score, then it will be declared invalid. This validity testing method uses the Lisrel 8.8 application. Criteria for testing the validity of the decision based on the factor loading value. Statement items are generally considered valid if the loading factor value is greater than 0.50.

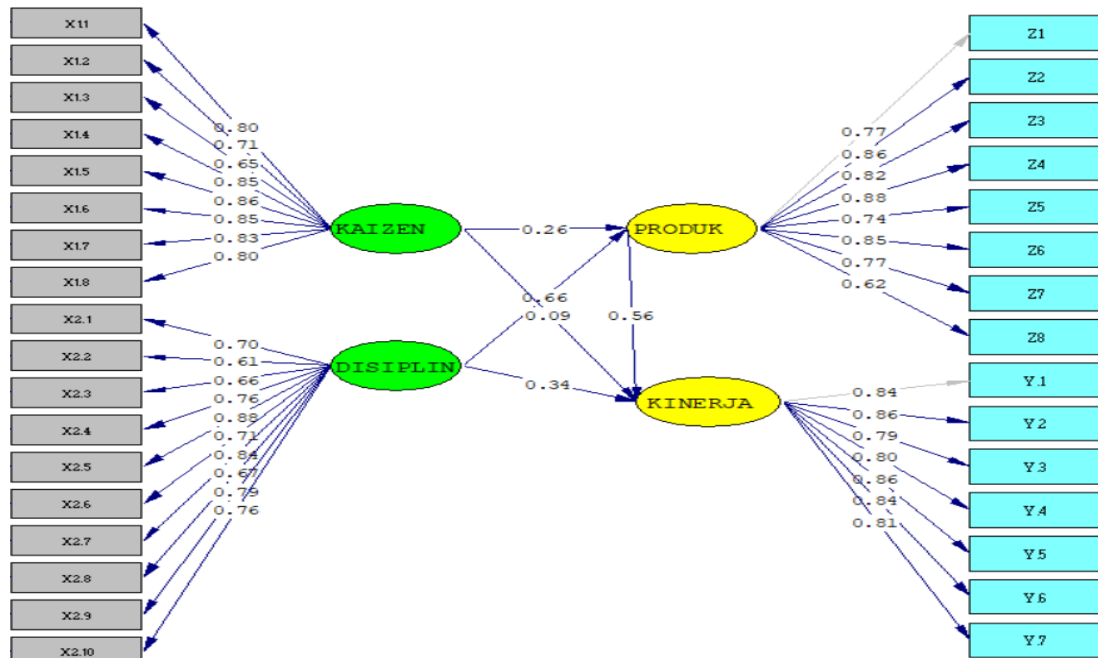


Figure 2. Full Mode

This data is data that has been modified by removing items that are less than 0.50. The findings of the validity test show that all

statement items in each construct have a factor loading greater than 0.50, so that the findings of the validity test can be said to be valid.

Reliability Test

In essence, the reliability test tests the ability of indicators to measure theoretical

concepts. A variable is said to be reliable if its Cronbach Alpha value is greater than 0.70.

Variable Reliability Test

Variable	Construct Reliability(CR)	Extracted Variant(VE)	Conclusion
Kaizen Culture	0.93	0.63	Reliable
Work Discipline	0.92	0.55	Reliable

Productivity	0.93	0.63	Reliable
Performance	0.94	0.69	Reliable

Hypothesis testing

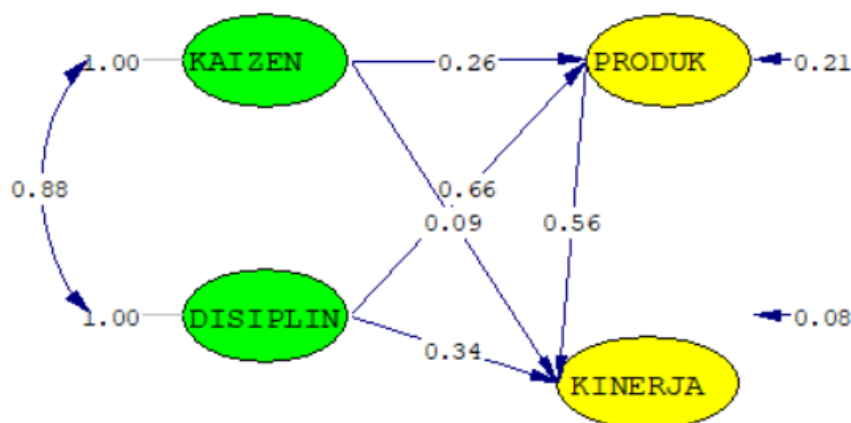


Figure 3. Structural Model Estimates Standardized Solution Structural Equations
 Source: 2022 data processing

Structural Equations				
PRODUK	=	0.26*KAIZEN	+ 0.66*DISIPLIN,	Errorvar.= 0.21 , R ² = 0.79
		(0.13)	(0.14)	(0.051)
		1.96	4.61	4.08
KINERJA	=	0.56*PRODUK	+ 0.091*KAIZEN + 0.34*DISIPLIN,	Errorvar.= 0.084 , R ² = 0.92
		(0.11)	(0.094) (0.12)	(0.022)
		5.13	0.96 2.94	3.79

The T statistical test is used to prove how significant or not the independent variable is to the dependent variable individually. In this study the significance level is 5%. If t-count is

H1: The test on the Kaizen Culture variable (X1) obtained a t-count of 1.96. Because t-count is greater than t-table (1.96 > 1.9) it can be concluded that the Kaizen Culture variable (X1) can have a significant effect on the Productivity variable (Z). Thus hypothesis 1 can be accepted.

greater than t-table, then the independent variable affects the dependent variable, and vice versa. (Rohimah, 2018 in Sarwono 2007:167).

H2: The test on the Work Discipline variable (X2) obtained a t-count of 4.61. Because the t-count is greater than the t-table (4.61 > 1.9) it can be concluded that the Work Discipline variable (X2) can have a significant effect on the Productivity variable (Z). Thus hypothesis 2 can be accepted.

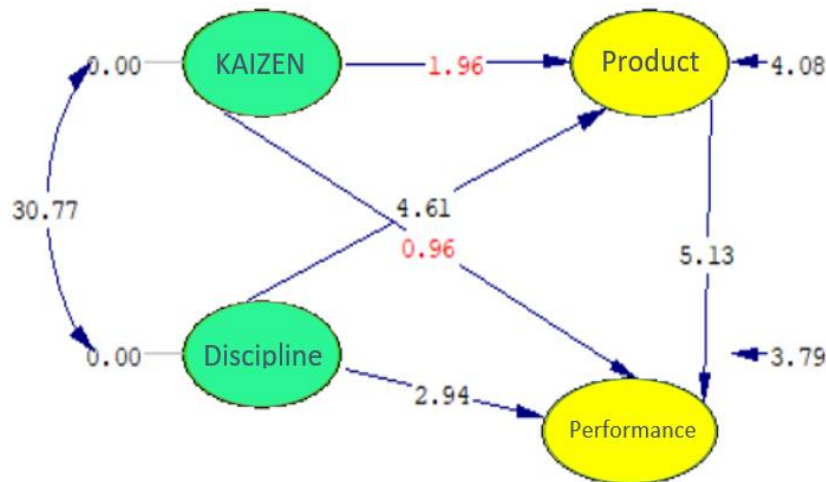
- H3:** Test on the Kaizen Culture variable (X1) obtained a t-count of 0.96. Because the t-count is smaller than the t-table (0.96 < 1.9) it can be concluded that the Kaizen Culture variable (X1) cannot have a significant effect on the Employee Performance variable (Y).
- H4:** The test on the Work Discipline variable (X2) obtained a t-count of 2.94. Because the t-count is greater than the t-table (2.94 > 1.9) it can be concluded that the Work Discipline variable (X2) can have a significant effect on the Employee Performance variable (Y). Thus Hypothesis 4 can be accepted.
- H5:** The test on the Productivity variable (Z) obtained a t-count of 5.13. Because t-count is greater than t-table (5.13 > 1.9) it can be concluded that the Productivity variable (Z) can have a significant effect

on Employee Performance variable (Y). Thus hypothesis 5 can be accepted.

- H6:** Tests on the Kaizen Culture variable (X1), Work Discipline (X2) obtained a t-count of 4.08. Because the t-count is greater than the t-table (4.08 > 2.45) it can be concluded that the variables Kaizen Culture (X1), Work Discipline (X2) can have a significant effect on the Productivity variable (Z). Thus hypothesis 6 can be accepted.

- H7:** Tests on the Kaizen Culture variable (X1), Work Discipline (X2), and Productivity (Z) obtained a t-count of 3.79. Because t-count is greater than t-table (3.79 > 2.45) it can be concluded that the variables Kaizen Culture (X1), Work Discipline (X2), and Productivity (Z) can have a significant effect on Employee Performance variables (Y). Thus hypothesis 7 can be accepted.

Figure 4. Structural Model Estimates T-Values



Source: 2022 data processing.

Big Direct and Indirect Influence on Employee Performance

Influence	Direct (L) on Employee Performance	Indirect (TL) Through Productivity	Conclusion
Kaizen Culture on Employee Performance	$(0,09)^2 \times 100 = 0,81\%$	$0.26 \times 0.56 \times 100 = 14.56\%$	TL > L (mediating)

Work Discipline on Employee Performance	$(0,34)^2 \times 100 = 11,56\%$	$0.66 \times 0.56 \times 100 = 36.96\%$	$TL > L$ (mediating)
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1. The direct and indirect influence of Kaizen Culture on Employee Performance

- The direct effect of Kaizen Culture on Employee Performance is $(0.27)^2 \times 100 = 0.81\%$
- The indirect effect of Kaizen Culture on Employee Performance through Productivity is $(0.26) \times 0.56 \times 100 = 14.56\%$
- The percentages above show that the Kaizen Culture cannot improve employee performance through productivity, either directly or indirectly. As a result, the employee productivity and performance variables are mediated by career development.

2. Direct and indirect influence of work discipline on performance

- Work discipline has a direct impact on employee performance which is $(0.34)^2 \times 100 = 11.56\%$
- Work discipline has an indirect impact on employee performance through productivity, namely $0.66 \times 0.56 \times 100 = 36.96\%$
- Likewise, employee performance is influenced both directly and indirectly by work discipline, shows that work discipline can increase performance indirectly through productivity, but the direct effect is more dominant. Thus the productivity variable is not a mediating variable in the relationship between work discipline and employee performance.

CONCLUSION

It can be concluded that the kaizen culture has a significant and positive effect on

productivity based on the research findings that have been conducted. Productivity is significantly and positively influenced by work discipline. Performance is not significantly affected by the kaizen culture. Performance is significantly affected by work discipline. Productivity has a positive and significant effect on performance. Kaizen culture, work discipline have a positive and significant effect on productivity. Kaizen culture, work discipline, productivity have a positive and significant effect on performance. The productivity variable acts as a mediator between the variables of kaizen culture and work discipline on employee performance.

The study uses only two independent variables, namely kaizen culture and work discipline to measure how much they influence the performance and productivity of employees at PT Mandom Indonesia is one of the limitations of this study, so that the ability of the two independent variables to explain the mediator variable productivity, and the dependent variable employee performance still limited.

Based on the limitations of this study, the following suggestions can be given, namely this study only uses two independent variables, namely kaizen culture and work discipline. It is recommended to add other variables such as work environment, K3, and work motivation to measure how much influence they have on productivity and productivity variables. employee performance.

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