

Ethical Leadership's Effect on Employee Discipline: Case of An Indonesian Telecommunication Company

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Abstract

Leaders are people who are role models for subordinates, good leaders have the ability to make subordinates motivated to improve their performance. The purpose of this study was to determine how leadership styles in PT Telkom Access (PTTA) Lembong Area Bandung, Indonesia, on how the work discipline of employees and how much influence the leadership style on employee work discipline partially and simultaneously in the company. In this study is an integration between descriptive and causal research types with statistical analysis techniques and data collection using questionnaires and interviews. This study uses a sample of 80 respondents who are employees of PT Telkom Access (PTTA) Lembong Area Bandung, Indonesia with sampling using the Probability Sampling technique with the Proportionate Random Sampling type.

Keywords: Ethical Leadership, Personnel Management, Business Administration

1. Introduction

The success of various activities within an organization or company in achieving its goals not only depends on technological excellence, available operational funds, facilities or infrastructure owned, but also depends on the HR aspect (Madiawati, 2016). The HR factor is an element that must be considered by the organization or company so that it can work more efficiently, effectively and productively. One aspect that needs to be highlighted in HR management is work discipline (Hartatik, 2014)

Pradana (2016) states that discipline is the awareness and willingness of someone to obey all company rules and prevailing social norms. According to Johnson (2016), discipline is an attitude of willingness and willingness of someone to obey and obey the norms of regulations that apply around him. Good employee discipline will accelerate the company's goals, while a degenerate discipline will be a barrier and slow the achievement of the company's goals. Meanwhile, Fakhri et al, (2014) states that absenteeism is a form of disciplinary violation caused by the low responsibility of employees, because they are unable to control themselves against seasonal events that are considered good.

To realize good corporate management, PT Telkom Access (PTTA) Lembong Area Bandung encourages employees to attach importance to discipline. PT Telkom Access (PTTA) Lembong Area Bandung also applies discipline in work. Employee discipline can be seen from the timeliness of employees present at the workplace. Based on the recap the results of finger scan can be seen from 220 employees of PT Telkom Access (PTTA) in the Lembong Area of Bandung who arrived late. The schedule of entering and returning work for PT Telkom Access (PTTA) Bandung Lembong Area has been arranged at 8:00 a.m. to 17:00 p.m., so that it can detect employees arriving less or more than 08.00 and returning less than 17:00, there will be a late notification in the form minute. The following is the data of late employees of PT Telkom Akses (PTTA) Lembong Bandung area based on the recap finger scan during the third quarter of 2016.

Table 1
Percentage of Late Employees

Period	Late Percentage	On-Time Percentage
July	30%	70%
August	32%	68%
September	35%	65%

Source: Interview with HRM Department

Because of the limited data provided by the company, the data obtained is only 3 months (July-September). From the table above it can be seen that the number of late employees increased from 30% to 35% of 220 employees in PT Telkom Access (PTTA) Lembong Area Bandung. The increasing trend shows that employees at PT Telkom Access (PTTA) in the Lembong area of Bandung have not reflected optimal disciplinary attitudes because there are still

those who arrive not on time. According to information from several employees of PT Telkom Access (PTTA) in Lembong Area, Bandung, delays were caused by a lack of supervision and lack of firmness from superiors, which made employees often arrived late.

One of the things that influence a company's discipline is the leadership style of a company leader. It was emphasized by Pangarso et al., (2017), that the factors that influence employee discipline include the presence or absence of leaders in the company, the courage of leaders in taking action (sanctions / penalties), the presence or absence of leadership supervision and the lack of attention to employees. These problems are also accompanied by a lack of attention to employee welfare, lack of coordination and also intense communication with employees. Based on the description above, the authors are interested in doing research to find out how much influence the leadership style has on work discipline (Qi et al., 2017).

2. Literature Review

2.1 Leadership Styles

According to Pradana (2016), ethical leadership is a way for leaders to influence their subordinates. There are relatively three different types of leadership. Below are types of leadership:

Autocratic leadership, in which the determinant of wisdom is carried out by the leader, techniques and steps of activity are dictated by superiors at all times, so that future steps are always uncertain for a broad level, leaders usually dictate the work of part work and work with each member, and leaders tend to be "personal" in praise and criticism of the work of each member. Take distance from active group participation except when showing expertise (Pangarso et al., 2017).

Democratic leadership, in which all wisdom occurs in discussion groups and decisions are taken with encouragement and assistance from leaders, activities are discussed, general steps for group goals are made, and if technical instructions are needed, the leader suggests two or more alternative procedures to choose from, members are free to work with anyone they choose and the division of labor is determined by the group, and the leader is objective or fact-minded in his praise and criticism and tries to become an ordinary group member in spirit and spirit without doing much work (Pangarso et al., 2017, Pradana & Wijaksana, 2017).

Freedom Leadership Style (*Laissez-Faire*), in which full freedom for group or individual decisions with minimal participation from leaders, various materials are provided by leaders who make people always ready if they will provide information when asked. he did not take part in the discussion. There is absolutely no participation from leaders in assigning assignments. Sometimes giving spontaneous comments on members' activities or questions and not intending to assess or regulate an event (Pradana, 2016).

2.2 Relationship between Leadership Style and Employee Motivation

According to Pangarso et al., (2017), several factors that influence employee discipline are the example of a leader who is very instrumental in determining employee discipline, the actions of a leader who implements good justice will create good discipline, as well as inherent actions from the leadership in realizing discipline. Confirmed again by Fakhri et al., (2014), that the factors that influence employee discipline include the presence or absence of leaders in the

company, the courage of leaders in taking action (sanctions / penalties), the presence or absence of leadership supervision and lack of attention to employees

3. Research Method

According to Sugiyono (2017), sample is part of the number and characteristics possessed by the population. For conditions where a large population is not possible to conduct research on each population due to limited funds, energy, or time, the researcher can use samples taken from a portion of the total population, which can then be applied to the population. The technique used in this research is probability sampling technique with proportionate random sampling type, which is a technique used when a population has a member / element that is not homogeneous and proportionally proportional. An organization that has employees from a stratified educational background, the employee population is stratified (Sugiyono, 2017, Wardhana & Pradana, 2016)

To determine the number of samples needed, researchers used the formula from Taro Yamane or Slovin as follows:

$$\frac{N}{N d^2 + 1}$$

n = number of respondents

N = total population

d = precision percentage (10%)

Then, we could find the data:

$$n = \frac{N}{N d^2 + 1}$$

$$n = \frac{220}{220.0.1^2 + 1}$$

$$n = 68,75 \approx 69$$

The sample used in this study was rounded to 80 employees at PT Telkom Akses (PTTA) Area Lembong Bandung, Indonesia.

4. Result

Descriptive Analysis of the Effect of Autocratic Leadership Style (X1), Democratic Leadership Style (X2), and Freedom of Leadership Style (Laissez Faire) (X3) on Work Discipline.

• Autocratic Leadership Style (X1)

Based on the results of descriptive analysis that has been done, the respondents' responses to the 5 items of statements contained in the autocratic leadership style (X1) variables such as policy determinants, dictate the steps of activities, dictate work and group tasks, and criticize the work of each member so that they are obtained The total score was 1697 and the average total score (%) was 84.85%, meaning that most of the respondents agreed to the autocratic leadership style variable (X1) applied to employees of PT Telkom Akses (PTTA) Lembong Area Bandung . On the continuum line which shows the average position of the total score from the respondent's

answer shows that it is in the range of 84% - 100% so that it can be interpreted that the autocratic leadership style (X1) conducted by the leader in PT Telkom Access (PTTA) Lembong Area Bandung is in the very high. These indicators greatly affect the employees of PT Telkom Access (PTTA) in the Lembong Area in carrying out their work, although there are still some employees who disagree with the statement. Of the 5 items statement on the indicator of autocratic leadership style (X1) which has the best response from the respondents is the first statement that is with a policy indicator. Which means that the leader has determined the policy well to his subordinates, which means that the indicator has an influence on the work discipline of employees of PT Telkom Akses (PTTA) Lembong Area Bandung. While the fourth statement, with indicators dictating group work assignments, has the lowest response from respondents. Which means that leaders in PT Telkom Access (PTTA) in the Lembong Area of Bandung do not take the policy and work group duties properly.

- b. Democratic Leadership Style (X2)

Based on the results of the descriptive analysis that has been carried out, the respondents' responses to the 7 items of statements regarding the variables of democratic leadership style (X2) are obtained which are about engaging in discussions, taking part in decision making, discussing work activities, providing opportunities for opinion, increasing self potential, objective and freedom of decision making, obtained an average total score of 2201 and an average total score (%) of 78.60% can mean that most of the respondents said strongly agree to the variable democratic leadership style (X2) applied to PT Telkom Access (PTTA) Lembong Area Bandung. On the continuum line the average position of the total score shows in the range of 68% - 84% so that it can be interpreted that the democratic leadership style (X2) conducted by the leader in PT Telkom Access (PTTA) in the Lembong Area of Bandung is in the high category. These indicators greatly affect the employees of PT Telkom Access (PTTA) in the Lembong Area in carrying out their work, although there are still some employees who disagree with the statement. Of the 7 items statement on the indicator of democratic leadership style (X2) which has the best response from respondents is the tenth statement, namely with indicators to increase self-potential. Which means that the leader has increased self-potential to his subordinates and these indicators have an influence on the work discipline of employees of PT Telkom Akses (PTTA) Lembong Area Bandung. While the ninth statement, with indicators giving an opportunity to argue, has the lowest response from respondents. Which means that leaders do not always give their members the opportunity to argue.

- c. Variable Freedom Leadership Style (Laissez Faire) (X3)

Based on the results of multiple linear regression analysis, the value of the freedom leadership style variable (X3) is 0.045 or 4.5%. This shows that the freedom leadership style variable (Laissez Faire) (X3) has a negative influence on the work discipline of employees of PT Telkom Akses (PTTA) Lembong Area Bandung. But based on the t test about the influence of freedom leadership style (Laissez Faire) (X3) on work discipline (Y), it is obtained t count of 0.446 and t table value of 1.665 which means smaller than t table, besides the significance value on t count is equal to 0.643 greater than 0.05. The results of the regression analysis showed that the variables of freedom leadership style (Laissez Faire) (X3) regarding minimal participation, freedom to determine direction, not take part in discussions, no participation in assigning assignments and not regulating the activities of its members did not significantly influence discipline. work of employees of PT Telkom Akses (PTTA) Lembong Area Bandung. Based on the results of multiple linear regression analysis shows that autocratic leadership style (X1) has a significant influence on the work discipline of employees of PT Telkom Access (PTTA) Lembong Area

Bandung, democratic leadership style (X2) does not have a significant influence on the work discipline of employees of PT Telkom Akses (PTTA) Bandung Lembong Area, and the freedom leadership style (Laissez Faire) (X3) does not have a significant influence on the work discipline of employees of PT Telkom Akses (PTTA) Lembong Area Bandung. The conclusion of this study is that partially the autocratic leadership style (X1) has a significant influence on the work discipline of employees of PT Telkom Akses (PTTA) Lembong Area Bandung.

The Influence of Autocratic Leadership Style (X1), Democratic Leadership Style (X2), Simultaneous Freedom Leadership Style (Laissez Faire) (X3) towards Work Discipline (Y).

- a. In this study the independent variables used were leadership style (X) consisting of autocratic leadership style (X1), democratic leadership style (X2), and freedom leadership style (Laissez Faire) (X3), as well as the dependent variable used in this study is work discipline (Y). Based on the calculation of the coefficient of determination (R^2), shows that the value of $r = 0.321$ means that the relationship between independent variables (autocratic leadership style, democratic leadership style, and freedom of leadership style) to the dependent variable (work discipline) is 32.1%, which means that the relationship is low. .
- b. While the value obtained from R Square = 0.103 or 10.3%, which means that work discipline can be influenced by independent variables namely autocratic leadership style (X1), democratic leadership style (X2), and freedom leadership style (Laissez Faire) (X3) and the remaining 89.7% is influenced by other variables not examined in this study.
- c. To find out the simultaneous relationship with the variables autocratic leadership style (X1), democratic leadership style (X2), and freedom leadership style (Laissez Faire) (X3) towards work discipline can be shown by looking at the F test results which are significance values (Sig). F results of the research are 0.042, while the value of α (alpha) is 0.05 so $0.042 < 0.05$, this means autocratic leadership style (X1), democratic leadership style (X2), and freedom leadership style (Laissez Faire) (X3) simultaneously has a significant effect on work discipline (Y).

5. Conclusion

Based on the results of research conducted on employees of PT Telkom Akses (PTTA) Lembong Area Bandung regarding the influence of leadership style on employee work discipline, the following conclusions can be drawn:

1. The Style of Autocratic, Democratic and Freedom Leadership (Laissez-Faire) in PT Telkom Akses (PTTA) Lembong Area Bandung. Based on descriptive analysis on the overall leadership style variables included in the high category in the eyes of respondents. Autocratic leadership style is in the very high category with a percentage of 84.85%. Demonstrate that the leadership style in PT Telkom Access (PTTA) Lembong Area Bandung is more directed to the Autocratic Leadership Style.
2. Work discipline of PT Telkom Akses (PTTA) Employees in Lembong Area Bandung. Employee work discipline which consists of goals and abilities, exemplary leadership, remuneration, justice, referee, punishment sanctions, assertiveness and humanitarian relations in PT Telkom Access (PTTA) Lembong Area Bandung has a very high value in the eyes of respondents by obtaining descriptive analysis results The total is 84.5%, this

shows that the work discipline of PT Telkom Akses (PTTA) employees in the Bandung Lembong Area is very high.

3. The Big Effect of Leadership Style on Employee Discipline Partially on PT Telkom Access (PTTA) Lembong Area Bandung. Autocratic leadership style (X1) obtained t count of 2.883 and t table value is 1.665 which means greater than t table, besides the significance value in table t arithmetic is 0.005 smaller than 0.05. The results of the regression analysis showed that the autocratic leadership style variable (X1) had a significant influence on the work discipline of employees of PT Telkom Akses (PTTA) Lembong Area Bandung.
4. The Big Effect of Leadership Style on Employee Discipline Simultaneously at PT Telkom Access (PTTA) Lembong Area Bandung. Based on the results of simultaneous hypothesis testing (test F) obtained Leadership Style consisting of Autocratic Leadership Style, Democratic Leadership Style and Free Leadership Style (Laissez-Faire) simultaneously significantly influence the work discipline of employees of PT Telkom Akses (PTTA) Lembong Area Bandung . The magnitude of the effect is 10.3% and the remaining 89.7% is influenced by other variables not examined in this study.

5.1 Suggestion

Based on the results of research and analysis that has been carried out, researchers can provide useful advice and can be a consideration for the company's progress in the future and for further research, namely:

Leaders must improve the leadership style applied, which can be seen that the democratic leadership style and freedom (Laissez Faire) does not affect employee discipline in PT Telkom Access (PTTA) Bandung Lembong Area, and continue to improve the autocratic leadership style that is applied, so that interrelationships are established positive between leaders and employees and improve the work discipline of employees of PT Telkom Akses (PTTA) Lembong Area Bandung.

Recommendations For further research

1. For the next researcher, it is expected to continue to develop this research. The next researcher is expected to be more varied by developing other factors that influence work discipline as additional variables. As shown in the data analysis, leadership styles consisting of autocratic leadership style, democratic leadership style, and freedom leadership style (Laissez Faire) were only 10.3%, with the remaining 89.7% formed by other variables not examined in the study. this.
2. And in connection with this, it is recommended for further research interested in examining the discipline of work variables to examine or add other factors that influence work discipline, such as needs that can encourage and influence work discipline in a company.

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