



IMPACT OF EMPLOYEE DISCIPLINE ON ORGANIZATION PERFORMANCE: A STUDY OF NIDI

INDUSTRY LIMITED, KANO STATE,
NIGERIA

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Abstract

Disciplinary procedures are necessary because no organization can survive without inculcating discipline into its employees for performance. This study was conducted to find out the impact of employee discipline on organizational performance with specific reference to NIDI Industry Limited. The paper relies heavily on interview, observation, newspapers and magazines, textbooks and journal articles for reviews and findings. The paper was able to find out that discipline has a positive impact on employee performance. It was also discovered that employee discipline is an integral aspect of the organization system and the real purpose of discipline is to encourage employees to meet standards of job performance and to behave sensibly and safely at work, rather than to punish. This study

contributes to the body of existing literature; specifically, it will inspire managers on how to deal with disciplinary issues in their

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performance

organizations. The study recommended a continuous review of rules and disciplinary processes to ensure it is transparent and fair. It also recommends that organizations should maintain records of disciplinary cases, and new employees should know the objectives and goal of the organization and should also be acquainted with the rules and regulations governing the organization.

Introduction

The success of an organization in achieving its objectives depends on its human resource factor, where each employee is a motor for the running of an organization. Human resources are a key factor for improving the performance of an organization (Rivai, 2017). Nothing left loose ever does anything creative. To be organised means to be disciplined and vice versa. Employee performance and behaviors are expected to contribute towards the achievement of the organization's goal and objectives. When an employee's performance or behavior is unsatisfactory, corrective action must be taken. Discipline can be positively related to performance (Mathis & Jackson, 2000). Disciplinary policies are in place to serve as a guide to an orderly conduct in the workplace in order to achieve the organizational goal (Gatchalian & Lumiqued, 2005).

Opatha (2009) defined employee discipline as a systematic process of controlling and influencing all employees in the organization to achieve and maintain standards of behavior (rules of behavior, alternatively the code of behavior at work) in order to accomplish organizational goals and objectives. Aminu (2013) postulated that discipline entails conformity with laid down rules and regulations or abiding by the standards expected of an individual in a given setting. Discipline is needed in order to ensure optimum utilization of organizational resources to attain the desired target. Thus, it helps to ensure organizational effectiveness and efficiency. Discipline isn't a matter of dominance and punishment; it's about making the work environment safe and pleasant for everyone, both employees and management.

Locally where there are organizations where a number of people work together, it is quite likely that company rules get broken intentionally or unintentionally. In these situations, an employer is well advised to have the employee provide written confirmation of the acceptance of the action so that it will not later be used against the employer if the employee thereafter is terminated or changes his mind as to the

appropriateness of the disciplinary action taken against him or her (Apalia, 2017). A single instance of violation, under genuine and well-justified circumstances might be forgiven. Repeated instances of violation might compel the company management to take strict action against an employee in the form of suspension, termination, etc. (Apalia, 2017). It is against this background that this study seeks to dig out the relationship that exists between employee discipline and organizational performance.

STATEMENT OF THE PROBLEM

The management of workplace discipline remains a key problem in employee relations, and is one of the most discernible sources of conflict at work. Disciplinary issues in most organizations have been handled in a way that creates conflict and hatred in the workplace. In most cases, disciplinary measures are being used as punitive rather than corrective purpose. Also, the effectiveness of disciplinary measure rests on effective rules and regulations, most times, rules are violated, protocol jumped and procedures avoided, which seriously undermines the effectiveness of discipline measures especially in public organizations where violation of laws is at the highest. Also, as conflict between employees or management is inevitable, it is most likely a continuous encounter in the workplace. Ensuring a sound relationship between the conflicting parties depends on how the conflict is managed. If employees do not agree with the manner of implementing disciplinary actions, it can have an adverse effect on the relationship between the employees and the management. It therefore becomes a responsibility and a challenge for management to formulate and enforce disciplinary measures that are acceptable to both the employees and the management.

The above consideration has prompted the researcher to fill in the gap identified in the academic literature by studying the impact of employee discipline on organizational performance of employees, with specific reference to NIDI Industry Limited.

OBJECTIVE OF THE STUDY

The overall objective of this study is to examine the impact of employee discipline on organizational performance. Other specific objectives are to determine the:

- i. Types of discipline
- ii. Causes of indiscipline in organizations

CONCEPTUAL CLARIFICATION AND LITERATURE REVIEW

Discipline

According to (Sedarmayanti, 2011; Rivai 2017), discipline of civil servants is a condition to correct or punish employees who violate the rules or procedures established by the organization. Good discipline is the awareness and willingness of a person to comply with all corporate rules and social norms that apply. Discipline is the most important operative function of human resource management because the better the discipline of the employees, the higher the work achievement it achieves (Rivai, 2017). Discipline is the condition in an organization where employees conduct themselves in accordance with the organizations rules and standards of acceptable behavior.

Discipline aims to create and maintain mutual respect and trust between management and the employees. It is very essential for a healthy industrial atmosphere and the achievement of organizational goals. It can also be seen as the process of training workers so that they can develop self-control and become more effective in achieving organizational goals. Discipline has some purpose which includes correcting the erred employee, re-directing of staff to the set objectives and to prevent future occurrence of such misdeed by either the affected staff or the prospective victim. In regard to organizational behavior, discipline implies keeping order and control among a group of workers by using methods that build morale, esprit de corps and obedience which is one of the most basic demands in organizational structure. Thus, it is

appropriate to limit considerations of discipline to three areas of meaning thus:

1. Self Discipline: concerned with self control of the individual to adjust to certain need and demands
2. Esprit de Corps: concerned with orderly behaviour within group
3. Judicial Process: concerned with monitoring performance and applying correctives to avoid future occurrence of an undesirable act

(Siagian, 2008; Sarwani, 2016) discipline is defined as an attitude and behaviour that reflect the level of compliance or adherence to the various applicable regulations and corrective measures against the violation of regulations and standards set out in the organization. According to Cameron (2016), employee discipline simply means practice of making people within the organization obey strict rules of behavior and of punishing them when they do not obey them (the rules). Bittel and Newstrom (1990) defined employee discipline as management action to encourage compliance with organizational standards. Mathis and Jackson (2000) defined employee discipline as a form of training that enforces organizational rules.

Discipline must be enforced within an organization. Without the support of good discipline, it is difficult for a company to realize its goals. The main purpose of discipline is to improve efficiency as much as possible by preventing and correcting the individual actions necessary to support the smoothness of all organizational activities to achieve maximum goal (simatupang & saroyeni, 2018). As disciplinary actions may have serious repercussions on the employees, organizations and even on the industry, they must be based on certain principles in order to be fair and acceptable to the employees, their representatives and other interested parties. Hence, proper employee discipline is very important for promoting fairness and order in the treatment of individuals and in the

conduct of labor-management relations. Employee discipline does not aim to attack employees' wrongful behavior, and not to attack them personally, but it is an attempt to improve performance of the employees (Opatha, 2009).

Performance

According to Sinambela, 2012; Rivai, 2017), employee performance is defined as the ability of employees in doing certain skills. It is the result or the overall success rate of a person during a certain period in carrying out the task compared with a range of possibilities, such as the standard of the work, the target or targets or criteria that have been determined in advance and have been agreed. It is the quantity, quality and time spent in performing the task. Quantity is the result that can be calculated to what extent a person can successfully achieve a predetermined goal. Quality is how a person performs his or her duties, namely the number of mistakes made, the discipline and the precision. Working time is about the number of absences performed, delays, and the length of service within the year that has been undertaken.

(Mangkunagara, 2001; Sarwani, 2016) stated that performance is the result of the quality and quantity of work accomplished by an employee in performing their duties in accordance with the responsibilities given to him. Performance is the result of work produced by employees who appear in accordance with its role in the organization (Hasibuan, 2012; Simatupang & Saroyeni, 2018). In performance there is a performance assessment used for performance measurement. Performance appraisal can be a reason for the assessment of the extent to which human resource management activities are done well, and what will be done later, such as in payroll, career planning and others related to human resource management activities (Chan, 2006; Simatupang & Saroyeni, 2018).

DISCIPLINARY INDICATORS

According to (Hasibuan, 1991; Fathia, Suharto & Sodikin, 2018), disciplinary indicators are:

1. Employment objectives and employee ability: the purpose of work in an organization should be clear and defined ideally and quite challenging for the ability of employees.
2. Attendance list: as a consequence of the provisions of office hours, then attendance on the employees can be known from the attendance list, which must be filled in an orderly, honest and supervised and well managed.
3. Leadership example: the leader made an example and role model by his subordinates.
4. Reply services: repayment (salary and welfare) influence the discipline of employees, because the rewards will give satisfaction and love of employees to their work.
5. Justice: justice contributes to the realization of the discipline of employees, because the ego and human nature always felt himself important and asked to be treated the same as other humans.
6. Inherent control: inherent supervision is the real and most effective act in realizing the discipline of employees, because with this attachment means the boss must be active and directly supervise the behaviour, morale and attitude, passion and performance of his subordinates.
7. Legal sanctions: legal sanctions play an important role in maintaining employee discipline. Because with penalty sanctions, employees will be increasingly afraid to break organizational rules.
8. Humanitarian relations: a harmonious humanitarian relationship among all employees contributes to creating good discipline in an organization (Fathia, Suharto & Sodikin, 2018).

TYPES OF DISCIPLINE

There are different types of discipline. It is the specific function discipline performs that determines its type. Sule-Dan & Ilesanmi (2015) identified three types of discipline which are preventive, corrective and progressive discipline.

Preventive Discipline

Preventive discipline is meant to prevent violation or deviation. It is taken to encourage employees to follow standards and rules so that indiscipline is prevented. The personnel department plays a major role in preventive discipline. They communicate the rules to the employees, conduct trainings and even counsel employees if necessary. Therefore, it is usually stated expressly without ambiguity in simple terms for the high and the low in the organization to understand the message (Sule-Dan & Ilesanmi, 2015).

Corrective Discipline: this action is taken when there is non-compliance with the rules. Typically, corrective discipline is penalty like warning or suspension. Corrective discipline serves two purposes, to reform or discourage further violation by sanctioning the violator, and to prevent future or forestall future reoccurrences of the undesirable behaviour among other employees. It is usually an act against violators and non-conformists.

Progressive Discipline: this is a disciplinary system that employs the use of higher or stronger penalties for offences that are repeatedly committed. It provides a graduated range of responses to employee performance or misconduct problems. As the offender repeats the same offence, the subsequent penalty increases in severity until it gets to the most severe (Sule-Dan & Ilesanmi, 2015). Disciplinary measures range from mild to severe, depending on the nature and frequency of the problem. Using progressive discipline allows managers to intervene and correct employee behaviour at the first sign of trouble, and also helps to avoid the consequences of allowing workplace problems to continue unchecked.

Causes OF indiscipline in organizations

It is more complex and difficult to identify the causes of indiscipline. The policies and procedures of organizations, the attitude of the

management towards workers, the attitude of workers, individual behaviors etc. are the causes of indiscipline.

The important causes of indiscipline according to Ayadurai (1996) include:

1. Ineffective leadership to control, coordinate and motivate workers.
2. Low wages and poor working conditions.
3. Lack of timely redresses or workers' grievances.
4. Lack or defective grievance procedure.
5. Character of the workers such as gambling, drinking, violet nature etc.

EMPLOYEE DISCIPLINE AND ORGANIZATION PERFORMANCE

Discipline is a form of training that seeks to improve and shape the knowledge, attitudes and behavior of employees so that employees voluntarily seek to work cooperatively with other employees and improve work performance. The result of various researches has shown that discipline has a significant influence in improving the performance of employees. (Draft, 2000; Tumo, 2017) argues that while discipline is necessary in many occasions, managers should dispense it carefully to avoid the employees involved from giving up on an attitude of high performance. Itang (2015) in his study found out that the quality of service in the office of Religious Affairs (KUA) District of Mount Kencana Lebak Regency of Banten can be enhanced through the development and improvement of work discipline and employee competence. Similarly, Nwinyokpugi (2015) in his study revealed a high correlation coefficient between workplace discipline and organizational productivity in the manufacturing organizations that were covered in the south-south region of Nigeria.

Rivai (2017), leadership, work discipline and organizational commitment have positive and significant effect on personnel performance either partially or simultaneously in KODAM Transportation Unit personnel I/

Bukit Barisan. Fathia, Suharto & Sodikin (2018) were also able to find out that the variables of leadership and discipline partially and simultaneously affect the performance of employees of Bank Jabar Banten (BJB). Sarwani (2016) also established that jointly or partially, work discipline and the work environment has a significant influence on employees of PT Ardian Putra MandiriSidoarjo. Sule-Dan and Ilesanmi (2015) identified in their study that organizational discipline has a significant impact on organization effectiveness in the Nigerian Customs Service. Finally, Sinatupang and Saroyeni (2018) confirm that discipline has a positive and significant effect on the performance of employees of the Cenderawasih University Rectorate General Administration Bureau.

THEORETICAL FRAMEWORK

The Red-Hot –Stove Theory

The red-hot-stove rule was proposed by Douglas McGregor in the early 60s, useful for imposing disciplinary action in an organization. **Forewarning, immediate, consistent and impartial**, the red-hot-stove has the following features:

- It has a warning: as you move closer to hot stove, you are warned by its heat that you will be burned if you touch it.
- Remains same for every person (impartial): that is, intensity of pain is same with every person who touches the stove.
- Consistent disciplinary action: that is, every time, you feel the pain as and when you touch the stove
- Burns immediately: if you touch the stove, it immediately burns you. So, if disciplinary action is to be taken, it must occur immediately so the individual will understand the reason for it.

However well you handle discipline, it remains an unpleasant task that often causes resentment. McGregor has illustrated how an employer can impose disciplinary actions on its employees without creating the feeling of resentment or annoyance in them. If you touch the stove, then it is your decision to do so and you bear the consequences. According to the

rule, discipline must occur immediately ensuring the individual will see a clear link between their behavior and the outcome (McGregor, 1960). Also, discipline does not differ for the same offence, from one person to the next. It should also reflect the offence, not the person who committed it. Focus on the act, not the individual.

ABOUT NIDI INDUSTRY LIMITED

Nidi Industry Limited is a limited liability company registered under the Companies Act of the Federal Republic of Nigeria by the CAC Vide registration RC, No. 634848. The main activity of the facility is the production of polythene film for packaging, wrapping, food and water packing etc. based on the plastic extrusion blown process. The factory is located at No. 8, Alhaji Usaini Road, Dawakin Dakata small and medium industrial estate, Kano, the most important and largest center of manufacturing activity in northern Nigeria. The factory administration is based on conventional management of line reporting. The main units are headed by managers. The managing director is the chief executive and is responsible for policy direction.

RULES/PRINCIPLES OF THE COMPANY CONCERNING DISCIPLINE

Rules are official instructions in respect of what employees must and are allowed to do and what they are not allowed to do. In an organization, rules serve about the same purpose that laws do in society and disciplining is called for when one of these rules is violated (Dessler, 2003). Nidi industry Limited believes in that employee discipline is a must for well-being of the company as well as each employee. Therefore, the following rules exist at Nidi industry Limited, which failure to the rule attracts discipline:

1. No sleeping on the job.
2. No leaving workplace without permission.

3. Acts of violence, abusing or assaulting superiors, peers, subordinates, customers/clients are strictly not permitted within the organization's premises at any time and at any place.
4. No drinking on the job.
5. No drug taking on the job.
6. Every employee must not commit a willful insubordination to any lawful and reasonable order of a superior.
7. All staff of Nidi industry must use the date and time finger print capturing machines at the security gate to register their time of entering work and closing.
8. Failure to register your finger print with the date and time capturing machine automatically declare such staff has been absent from duty for that day, even though such staff is physically present at work.

The following are the established principles of discipline of NIDI industry:

1. The employees are all aware of the rules and regulations of the company as well as the punishments when the rules and regulations are violated.
2. Except in limited circumstances, the employees are always given the opportunity to correct the problems.
3. Regardless of the position of the employee, the same disciplinary measure is used in similar scenario.
4. Disciplinary measure is usually taken with immediate effect when breaches or violations are noticed.

PROCESS OF DISCIPLINARY INVESTIGATION STEPS USED BY NIDI INDUSTRY LIMITED:

1. Conducting a preliminary investigation
2. Suspend the service of the employee pending enquiry, if necessary
3. Issue a rule Violation Form
4. Obtain letter of explanation and make decisions based on it.

5. Conduct a formal inquiry.

DISCIPLINE IMPOSED FOR NON-SERIOUS OFFENCES

1. Informal Talk

This is used when the infraction is relatively minor in nature and when the employee's record has no previous marks of disciplinary action. An informal, friendly talk suffices to clear up the situation of minor cases. Hence the personnel manager discusses with the erring employee his or her behaviour in relation to standards which prevail within the organization.

2. Oral Warning

This is a reprimand, which is a form of interview between the employee and the personnel manager, the latter emphasizing the undesirability of the subordinates repeated violation, and that ultimately it could lead to serious disciplinary action. It means that this is used in the instance of a repeated offence by the employee.

3. Written Warning

A written warning or official warning is of a formal nature because it is intended to become part of an employee's record. A written reprimand is given when the employee ignores a verbal warning about his behavior. The reprimand outlines the incident, why the behavior is inappropriate, what needs to change, and the consequences of non-compliance. A copy of the written warning will go in to the employee's personnel file after he signs it. The signature shows the employee has read the document.

4. Suspension

Disciplinary Layoff as it is also known, suspension becomes necessary if the employee has committed repeated offences and previous steps were of no avail. Suspension or the disciplinary layoffs usually extends over several days or weeks. Basically some employee may not be impressed with oral or written warnings, but they will find a disciplinary layoff without pay a rude awakening.

5. Demotion

Demotion involves the loss of both pay and status as a result of grave infraction or repeated violation of rules. Demotion involves reassigning an employee to a lower-paying position. This option is typically invoked for a worker who hasn't improved his performance, behavioral problems or outright misconduct, such as of absenteeism without concrete reason.

6. Dismissal

In cases whereby they have used all the proper channels of making the employee to change and all these channels fails to reprimand the employee behaviour, the last channel to use is to terminate such employee appointment with the organization.

METHODOLOGY

The paper relies heavily on interview, observation, newspapers and magazines, textbooks and journal articles for reviews and findings. The paper reviewed the Red-Hot-Stove theory of Douglas McGregor (1960), which is one of the theories on which the study is anchored.

FINDINGS

The study was conducted to find out the impact of employee discipline on an organizations performance. The study established that employee discipline has a significant impact on organization performance and effectiveness. The findings are in line with the findings of Sule-Dan & Ilesanmi, (2015), Sarwani (2016), Nwinyokpugi (2015), and other prominent researchers.

CONCLUSION AND ERCOMMENDATIONS

The aim of the study was to find out the impact of discipline on employees performance in organizations, with reference to NIDI Industry Limited. The study point out that discipline is an integral aspect of the organization system in any establishment and has a positive impact on employee performance. It was also able to enumerate some of the causes of indiscipline, and various ways of dealing with disciplinary cases

by NIDI Industry. The real purpose of discipline is to encourage employees to meet standards of job performance and to behave sensibly and safely at work. . In most cases, the purpose of discipline is to instruct and correct rather than to punish.

The study recommended a continuous review of rules and disciplinary processes to ensure it is transparent and fair. It also recommends that organizations should maintain records of disciplinary cases. Records must be maintained to document disciplinary cases and should often be referred to for promotion and other incentives. New employees should know the objectives and goal of the organization and should also be acquainted with the rules and regulations governing the organization. Inductions and training that will acquaint the personnel and new entrants into the organization on its goals and objectives must be taken as an important issue. A dismissal decision should be given long and hard consideration for employees who have been with the organization for many years' dismissal can make it difficult to obtain new employment or may require the new employee to undergo extensive training, and thus this an additional expenses added to the company's overhead expenses. It is recommended that management of organizations should demonstrate high level discipline to attract a reciprocal disciplinary behavior from all employees. Supervisors and leaders of organization are also tasked to show committed discipline so as to achieve unalloyed loyalty from followership at work. These are expected to earn for companies the needed level of productivity.

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