

ABSTRACT

In the era of globalization with increasingly fierce business competition, employee performance has become a key factor in determining organizational success. As a service company, PT UGS faces challenges in achieving its Key Performance Indicator (KPI) targets, which have not been optimally met during the 2021–2023 period, despite improvements in employee retention and discipline. However, these factors have not yet fully driven the company's target achievement.

This study aims to analyze the influence of discipline and retention on employee performance at PT UGS. Discipline is a crucial factor in enhancing work effectiveness, while employee retention focuses on the company's efforts to retain qualified workers.

The research employs a quantitative approach with a survey method. The sample consists of 94 employees selected through accidental and non-probability sampling techniques. Data were collected via questionnaires distributed to PT UGS employees as respondents and analyzed using SPSS (Statistical Package for the Social Sciences) version 26, with multiple linear regression to determine the extent of the influence of discipline and retention on employee performance.

The results indicate that discipline and retention, both partially and simultaneously, have a significant effect on employee performance at PT UGS Jakarta Utara. The combination of these two variables contributes 42.6% to employee performance, while the remaining 57.4% is influenced by other factors beyond this study.

The implications of the results of this study emphasize the importance of managing discipline and retention simultaneously to create a work environment that supports improved employee performance. To improve employee discipline, PT UGS can implement a flexible attendance system with grace period tolerance and perfect attendance rewards, as well as an early warning program for absenteeism. As for retention, the company needs to clarify a transparent career map and implement work-life balance policies such as hybrid work to increase employee loyalty.

Keywords: Discipline, Employee retention, Employee performance, Multiple linear regression, PT UGS