

# Enhancing Discipline and Reducing Employee Turnover Through PKWT Implementation and Digital Attendance

<sup>1</sup>Ellen Wu, <sup>2</sup>Agustinus Setyawan

Universitas Internasional Batam

Email: 2241138.ellen@uib.edu, Agustinus.setyawan@uib.ac.id

This study focuses on improving employee discipline and reducing turnover at Toko Citra, a retail MSME in Batam, through the implementation of Fixed-Term Employment Agreements (PKWT) and a digital attendance system. Prior to this project, Toko Citra faced several human resource management issues, including frequent employee turnover due to the absence of formal employment contracts and weak discipline control caused by a manual attendance system. These conditions made workforce management inefficient and disrupted daily operations. Data was collected through direct observation, interviews with the business owner, and documentation during the internship period. Based on the identified problems, PKWT documents were prepared for all employees in accordance with applicable labor regulations, and a digital attendance system using the Gajihub application was implemented. Employees were registered, introduced to the system, and assisted during the initial implementation stage. The results show that employee administration has become more structured and transparent. All employees are now officially bound by PKWT contracts, while the digital attendance system enables real-time monitoring and improves discipline. In the first month, employee attendance reached 87%, indicating positive changes in work discipline. Overall, the implementation of PKWT and digital attendance systems contributed to better workforce stability and supported the operational sustainability of Toko Citra.

**Keywords:** Employee Discipline, Employee Turnover, PKWT, Digital Attendance, MSMEs

This is an open access article under the [CC BY-NC](#) license



**Corresponding Author:**

Ellen Wu

Universitas Internasional Batam

2241138.ellen@uib.edu

## 1. Introduction

Toko Citra is one of the MSMEs in Batam engaged in the retail of daily necessities, including food, beverages, household products, and simple household appliances. This business was established in 1990 by Mrs. Apin. With increasing demand, this business, which has grown for more than three decades, has now expanded into two branches. Currently, Toko Citra employs around 10 employees tasked with ensuring goods availability, serving customers, and maintaining smooth operations at both branches. Employees work Monday–Saturday from 7:00 a.m. to 7:00 p.m. and Sundays from 7:00 a.m. to 5:00 p.m., allowing the store to serve customers on a daily basis.

Despite rapid development, Toko Citra currently faces serious challenges in human resource management. The first major problem is high employee turnover due to the absence of binding employment contracts between employees and management. This results in many employees choosing to leave suddenly without clear procedures, so vacant positions must be filled immediately with new employees. This situation creates instability because in some cases, replacing one position requires up to three recruitment attempts. According to Nuryanti & Suparjiman, (2024), high turnover in MSMEs is a form of operational risk that can disrupt business continuity due to increased recruitment costs and loss of work continuity.

The second problem is the lack of employee discipline control. Until now, the attendance system has been implemented without recording, making it difficult for management to monitor employee tardiness and

absenteeism. Work schedules are not optimized, disrupting smooth service operations. Lubis & Tabastuvi, (2022) explain that electronic attendance implementation significantly affects employee discipline, positively impacting employee performance improvement. Thus, the absence of an adequate attendance system at Toko Citra not only makes monitoring difficult but also has the potential to weaken work productivity. Low employee productivity in MSMEs can increase business failure risk, as human resource instability directly impacts overall business performance (Damjanovic et al., 2023). Prathama & Darmanto, (2025) prove that using location-based attendance systems in MSMEs can increase transparency, facilitate work hours monitoring, and foster employee discipline.

Based on the identified HR management issues, this project is designed to address employee turnover and discipline problems through two main activities. The first activity focuses on drafting a normative Fixed-Term Employment Agreement (PKWT) in accordance with labor regulations to provide job security and protection for both owners and employees. The PKWT covers employee identity, work period and schedule, position and duties, salary, and contract duration. The second activity is implementing a digital attendance system based on the Gajihub application as a solution to manual system weaknesses. Through this application, store owners can register each employee's data, who will then have an account to log in. Employee attendance is recorded through a photo-based attendance feature so data is automatically recorded and can be monitored in real-time by the owner.

The objective of this project is to help Toko Citra develop a more structured and sustainable human resource management system to support operational efficiency and business continuity. This project focuses on preparing simple but legally compliant fixed-term employment agreements (PKWT), so rights and obligations between employees and store owners are clearer. Additionally, this project aims to implement a digital attendance system that can monitor attendance in real-time with specific targets including: (1) 100% employee registration in the database with properly drafted PKWT contracts; (2) smooth implementation of the attendance application with at least 75% employee compliance in the first month; and (3) 50% reduction in employee tardiness within the first month.

The benefits of this activity include reducing employee turnover rates through clear employment contract rules, so store owners no longer face sudden obstacles due to employees quitting without notice. With PKWT and digital attendance implementation, discipline, loyalty, and HR administrative efficiency are expected to improve. This will be evidenced by the successful completion of the internship work report with practical recommendations for Toko Citra, delivered on time and receiving positive feedback from the store owner as the partner. Ultimately, these initiatives support better workforce stability creation and ensure Toko Citra's business continuity.

## **2. Method Identification**

The process begins with an initial stage involving the collection of basic information regarding the store's conditions, including the administrative system, employee management, and main challenges faced in daily operations. Data collection was conducted using several methods such as:

1. Observation was conducted by directly observing individual behaviors and interactions in the research environment (Kreuta & Gobay, 2022). This observation was carried out by visiting the research location during the internship by observing the store environment conditions to obtain accurate data about the store.
2. Interviews constitute an exchange of views between two or more parties conducted through question and answer to obtain information or answers to specific problems (Romdona et al., 2025). In this

interview, the researcher conducted direct question-and-answer sessions with the business owner to inquire about the store's background, activities conducted at the store, and other needs of the researcher. Some questions asked to the business owner are as follows:

- a) Could you briefly tell us about the history of Toko Citra's establishment and the type of business operated?
  - b) How many employees are currently working and what is the task division system?
  - c) Do employees at Toko Citra already have written employment agreements such as PKWT?
  - d) How has the preparation and management of PKWT documents been conducted so far?
  - e) What challenges are usually faced in implementing or renewing PKWT at the store?
  - f) Before implementing a digital attendance system, how was employee attendance recorded?
  - g) Could you describe the employee attendance process at Toko Citra?
  - h) Is the current attendance system running effectively?
  - i) What is your response to the use of a digital attendance application?
  - j) What are your expectations regarding the implementation of a more organized employee administration system, both in terms of PKWT and digital attendance?
3. Documentation involves collecting evidence and information such as images, quotes, and other references (Dewi, 2021). In this research, documentation was used to obtain company data and store information for research purposes.

### **Implementation**

The stages occurring in the design and implementation process to assist the business owner are as follows:

1. Gathering information on requirements for creating PKWT contracts and digital attendance systems.
2. Designing contract drafts and digital attendance formats according to the needs of the business owner and employees.
3. Approval of PKWT contracts through signing by the owner and employees as a form of official agreement.
4. Testing the digital attendance system to ensure its feasibility and ease of use in daily work activities.
5. Initial evaluation of implementation to assess whether contracts are understood by employees and the attendance system is running well.

### **Evaluation**

The final stage is evaluation and report compilation. In this section, internship results are analyzed to assess the effectiveness of the designed solutions, both from an administrative perspective and their impact on workforce stability. All findings and recommendations are then compiled into an official report submitted to the store owner and academic supervisor, while also serving as sustainable input that can be used by Toko Citra.

## **3. Results and Discussion**

### **Implementation of Fixed-Term Employment Agreement (PKWT) Documents**

The implementation of outputs during the internship at Toko Citra began with preparing Fixed-Term Employment Agreement (PKWT) documents for all employees. The initial implementation stage started with comprehensive employee data collection, including complete identity, position, start date, and wage amount. This data was collected directly through brief interviews with employees and confirmed with the business owner to avoid information errors. After data collection, the author compiled it into an employee database format as the basis for creating individual PKWT documents.

Next, a PKWT draft was prepared in accordance with labor law regulations. The PKWT document covers party identities, agreement validity period, job descriptions, working hours, rights and obligations, wage amount, and clauses regulating employment termination. The author adjusted the agreement content to the actual conditions at Toko Citra, such as store operating hours, shift systems, and employee leave policies.



**Figure 41** Final PKWT Format Result

After document preparation, the author coordinated with the business owner for final review and adjustments to ensure all clauses align with internal policies. A brief socialization was then conducted with employees to ensure they understood the agreement content before signing. This socialization was important to provide understanding of each party's rights and obligations and increase labor law awareness. The next stage was the signing process of PKWT documents by the business owner and employees in duplicate originals. Each document was officially signed and dated as evidence of the employment agreement's validity.



**Figure 2.** PKWT Signing with Employees

After completion, documents were properly stored both in physical and digital archives for easy future access. With the PKWT documents now in place, Toko Citra has a more structured employee administration system compliant with legal requirements. All employees now have a legal basis for their employment relationships, while the business owner gains ease in managing human resources in an orderly and documented manner.

### **Implementation of Digital Attendance System**

Besides PKWT document preparation, the internship also focused on implementing a digital attendance system as part of modernizing employee administration at Toko Citra. Before this activity, attendance recording was still manual using notebooks, which often caused recording errors and difficulties in monitoring employee work hours. Through digital attendance implementation, the attendance recording process is expected to become faster, more efficient, and accurate.

The first step in this implementation was selecting a suitable digital attendance application for store operational needs. Criteria considered included ease of use, entry and exit recording features, automatic summary capabilities, and mobile device accessibility. After selecting the appropriate application,

installation and initial setup were conducted, including work schedules, tardiness tolerance limits, and account distribution for each employee.

The next stage was socialization and brief training for all employees on application usage. The author explained attendance recording steps, such as login procedures, pressing entry and exit attendance buttons, and confirmation methods for input errors. During the initial usage period, the author provided direct assistance to ensure all employees understood and became accustomed to the new system. At the beginning of implementation, minor issues occurred such as employees forgetting to record attendance or pressing wrong buttons. However, through persuasive approaches and direct assistance, all problems were quickly resolved. Over time, all employees became accustomed to using the application, and the system ran more smoothly.



**Figure 3.** Digital Attendance Implementation via Gajihub Application

After full digital attendance system usage, attendance recording became more organized and efficient. Attendance data can be monitored real-time by the business owner and downloaded in digital summary format. This facilitates supervision, discipline assessment, and data summarization that can be used as the basis for salary calculations and performance evaluation.



**Figure 4.** Employee Attendance Recording in Gajihub

### Conditions After Implementation

After implementing the employee administration system comprising PKWT document preparation and digital attendance application, employee management conditions at Toko Citra showed far more organized changes compared to before. All ten employees now have valid PKWT documents, so every employment relationship has a clear legal basis. This not only helps the store owner in organizing work structure but also provides certainty and protection for employees. The previously unstructured data collection process is now well-documented, both in physical and digital archives.

The digital attendance application implementation also began showing positive results. Previously manual and error-prone attendance became automatically recorded through the Gajihub system. In October, employee attendance reached 87%, with 5% sick leave, 5% permission, and 3% absenteeism. These figures indicate that most employees have complied with digital attendance rules and become accustomed to independently recording work hours. The selfie feature as presence proof also helps ensure entered data is valid and matches field conditions.

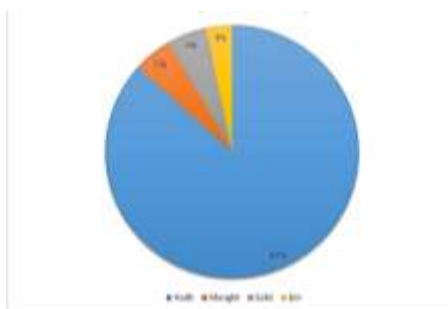


Figure 5. Employee Attendance Percentage Diagram for October

From a time discipline perspective, summary data showed nine total tardy days with 5 hours 56 minutes of tardiness. Although some tardiness still occurred, this number can be categorized as low for the initial application period. This indicates that digital attendance implementation has begun impacting increased employee discipline awareness. Additionally, the store owner can now monitor attendance real-time, making performance evaluation and end-of-month salary calculation easier.

Toko Citra											
No. ID Karyawan	Nama	Organisasi	Pangkat	Jumlah (jam)	Jam Kerja	Half Hari Kerja	Tardiness (jam)	Terdampak (jam)	Sakit	Absen	Mangkir
1	1	Pegodangan	Staff	30	30	27	3	56 Menit	1	1	1
2	2	Pengiriman	Staff	30	30	27	0	0 Jam	1	0	2
3	3	Purchasing	Staff	30	30	29	0	0 Jam	1	0	0
4	4	Kasir	Staff	30	30	22	8	54 Menit	4	1	3
5	5	Kasir	Staff	30	30	24	6	1 Jam 45 Menit	4	2	0
6	6	Pegodangan	Staff	30	30	26	0	0 Jam	1	1	1
7	7	Purchasing	Staff	30	30	26	4	23 Menit	4	0	0
8	8	Pegodangan	Staff	30	30	27	0	0 Jam	0	0	3
9	9	Kasir	Staff	30	30	27	0	0 Jam	0	1	0
10	10	Pengiriman	Staff	30	30	25	5	2 Jam	3	1	1

Figure 6. Employee Attendance Summary for October

Overall, implementing both PKWT documents and digital attendance system outputs successfully created a more structured, professional, and transparent work environment. Administrative errors can be minimized, data is more easily accessible, and work discipline has improved. With this new system, Toko Citra now has a stronger human resource administration foundation ready for further development according to future store needs.

#### 4. Conclusion

The implementation of the employee administration system at Toko Citra through the preparation of Fixed-Term Employment Agreement (PKWT) documents and the Gajihub digital attendance application proved effective in enhancing human resource management. With the PKWT system, all 10 employees now have official employment contracts that serve as the legal and orderly basis for employment relationships, reducing turnover rates and providing certainty for both parties. Additionally, the digital attendance system replaced the previously inaccurate manual method, enabling more transparent and efficient attendance recording. From a discipline perspective, the digital attendance application successfully reduced employee tardiness significantly in the first month of implementation, achieving an 87% attendance rate. This demonstrates that the application not only facilitates real-time attendance monitoring but also contributes positively to fostering a work discipline culture at Toko Citra. With a stronger and more structured administrative foundation, this MSME now has a better basis for developing sustainable human resource management systems moving forward.

The author recommends that after this internship ends, the store owner should continue optimizing the digital attendance application through periodic evaluations and additional employee training to ensure the system remains effective and becomes a permanent work culture. Additionally, the store owner may

consider integrating attendance data with the payroll system to make administration more efficient and reduce manual error risks. It is important to ensure that PKWT documents are always updated according to changes in labor regulations and actual field conditions to maintain legal protection for both employees and the business owner. These ongoing efforts in improving human resource management systems are expected to reduce potential operational issues and strengthen the overall stability and sustainability of Toko Citra's business.

## 5. Reference

- Damjanovic, A. M., Dimitrijevic, V., Nesic, S., Miskic, M., Mrdak, G., & Arsic, S. M. (2023). Risk Influence of Employee Productivity on Business Failure: Evidence Found in Serbian SMEs. *Sustainability (Switzerland)*, *15*(6), 1–17. <https://doi.org/10.3390/su15064705>
- Dewi, I. G. A. A. O. (2021). Understanding Data Collection Methods in Qualitative Research: the Perspective of Interpretive Accounting Research. *Journal of Tourism Economics and Policy*, *1*(1), 23–34. <https://doi.org/https://doi.org/10.38142/jtep.v1i1.102>
- Kreuta, K., & Gobay, M. (2022). Pengembangan Model Pembelajaran Berbasis Contextual Teaching Earning Terhadap Peningkatan Kreativitas Anak Usia 8 – 12 Tahun Persekutuan Anak Dan Remaja Di Jemaat Gki Ebenhaezer Yoka". *Jurnal Multidisiplin Indonesia*, *1*(4), 1128–1139. <https://doi.org/10.58344/jmi.v1i4.110>
- Lubis, H. F., & Tabastuvi, N. (2022). The Effect Of Electronic Attendance, Dicipline, Remuneration, Organizational Culture, And Work Motivation To Employees Performance In Government Banjar City. *ICBAE*. <https://doi.org/10.4108/eai.10-8-2022.2320893>
- Nuryanti, M., & Suparjiman, S. (2024). Analisis Manajemen Risiko pada UMKM Konveksi, Rancaekek, Kabupaten Bandung. *PENG: Jurnal Ekonomi Dan Manajemen*, *2*(2), 1654–1667. <https://doi.org/10.62710/3bgkez50>
- Prathama, R. A. E., & Darmanto, E. (2025). Implementasi Sistem Absensi Karyawan Berbasis G-Location. *Jurnal Pengabdian Masyarakat Bhinneka*, *3*(4), 986–993. <https://doi.org/https://doi.org/10.58266/jpmb.v3i4.308>
- Romdona, S., Junista, S. S., & Gunawan, A. (2025). Teknik Pengumpulan Data dan R&D. *JISOSEPOL*, *3*(1), 127–149. <https://doi.org/https://doi.org/10.61787/taceee75>