



## The Influence Of Reward And Punishment On Employee Performance At CV. Dinamika Mitra Nusantara, Bengkulu City

Yeza Dwi Anugerah <sup>1</sup>, Karona Cahya Susena <sup>2</sup>, Muhammad Rahman Febliansa <sup>3</sup>

<sup>1,2,3</sup> Ekonomi Dan Bisnis / Manajemen, Dehasen Bengkulu, Indonesia

e-mail: <sup>1</sup> [dwianugerahyeza@gmail.com](mailto:dwianugerahyeza@gmail.com), <sup>2</sup> [karona.cs@unived.ac.id](mailto:karona.cs@unived.ac.id), <sup>3</sup> [rahmanfebliansa@unived.ac.id](mailto:rahmanfebliansa@unived.ac.id)

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**Abstract.** CV. Dinamika Mitra Nusantara of Bengkulu City, which was established in 2018 and is engaged in the distribution sector such as Tires, Oil, and Car Spare Parts and Heavy Equipment for Mining and Coal Companies, is one of the companies that faces challenges in maintaining productivity and optimal employee contribution to achieving targets. In recent years, employee performance has not been optimal, marked by decreased productivity, late assignments, and minimal innovation. The type of research conducted in this study is causal associative research with quantitative techniques. The sample of this study was 37 people who were staff and employees at CV. Dinamika Mitra Nusantara of Bengkulu City. Data collection using questionnaires and the analysis methods used were multiple linear regression, determination test and hypothesis test. The results of the regression analysis show that Reward ( $X_1$ ) has a significance value of 0.019 ( $<0.05$ ), so  $H_0$  is rejected and  $H_a$  is accepted. This means that rewards have a significant effect on employees' performance. The punishment variable ( $X_2$ ) has a significance of 0.000  $<0.05$ , so  $H_0$  is rejected and  $H_a$  is accepted. This means that punishment has a significant effect on employees' performance. And the simultaneous application of reward and punishment has a positive and significant impact on improving employees' performance at CV. Dinamika Mitra Nusantara of Bengkulu City. This is evidenced by a significance value of 0.00 ( $<0.05$ ) and F count of 87.853 with a significance of 0.000. Employees become more motivated because they feel that rewards and sanctions are given in a balanced manner. Thus, the alternative hypothesis ( $H_a$ ) is accepted and the null hypothesis ( $H_0$ ) is rejected.

**Keywords:** Reward, Punishment, Employees' Performance.

### INTRODUCTION

In the increasingly developing business world, it also drives the level of competition in the business sector, including in the service sector. Human resource management is a planning, organizing, implementing and supervising the procurement, development, provision of rewards, integration, maintenance and separation of workers in order to achieve organizational goals. (Mangkunegara, 2017: 2) Given the importance of human resources which include the role, management, and utilization of employees needed to spur employee enthusiasm, companies must meet several criteria through the application of appropriate human resource management concepts and techniques, one of which is through the provision of Rewards and Punishments. Performance is defined by Asnawi (2019: 18) as the extent to which a person can carry out their responsibilities and duties in a job. According to Paramarta in Nuriah (2024: 6), Giving is one of the implementations of HR functions as a form of positive company attention to provide enthusiasm, as well as a form of company participation to motivate and provide enthusiasm, so that employees are able to provide the best results for the company. Meanwhile, Suparmi and Septiawan in the journal Martinus et al (2022:62) explain that a Punishment is given when a person's expected behavior is not in accordance with company regulations. Punishment that is given wisely and appropriately to employees in a company can be a stimulant to increase their work productivity in the company. So, Rewards and Punishment are forms of reaction from leaders to maintain and improve employee performance, and encourage employees to be better, more qualified and responsible with the tasks assigned. Mahmudi in Purnama (2015).

## **LITERATURE REVIEW**

### **Human Resource Management**

Human resource management is currently very important for a company. Each company tries as much as possible to manage existing resources well. "Human resource management is a strategic approach to skills, motivation, development and management of workforce organization. (Hamali in Armaida Rismayanti, et al. (2022: 611) According to Hasibuan in Sumainah Fauziah, et al. (2016: 179) human resource management is the science and art of managing relationships and roles of the workforce to effectively and efficiently help achieve the goals of the company, employees, and society. Furthermore, according to Anwar Prabu Mangkunegara (2013: 2) human resource management is a planning, organizing, coordinating, implementing, and supervising the procurement, development, remuneration, integration, and separation of the workforce in order to achieve organizational goals.

### **Performance**

Afandi (2018) states that performance is the work results that can be achieved by a person or group of people in an organization in accordance with their respective authorities and responsibilities in an effort to achieve organizational goals illegally, not violating the law and not contrary to morals and ethics. According to Siagian in Timothy, et al. (2022 : 206), that performance as a condition that shows the ability of an employee to carry out tasks in accordance with the standards that have been determined by the organization to employees according to their job descriptions. Another definition comes from Fahmi (2016) is the results obtained by an organization, whether the organization is profit-oriented or non-profit oriented, which are produced during a period of time. So it can be concluded that performance is the work results achieved by individuals, groups, or organizations in accordance with the responsibilities, standards, and job descriptions that have been set. Performance with indicators according to Prawirosentono in Poni Sukaesih Kurniati (2017:194), employee performance can be assessed by several indicators, namely: quality, quantity, timeliness, effectiveness and independence.

### **Reward**

According to Nugroho (2015:7)., Reward or award is a form of appreciation for an achievement that is given in the form of material or non-material. Reward is defined by Paramarta (2016:18) as a form of reward, gift or award. Giving a pleasant gift after someone does the desired behavior. According to Shields in Armaida Rismayanti, et al (2022: 612) Rewards can be something tangible or intangible that organizations give to employees either intentionally or unintentionally as a reward for employee potential or contribution to good work, and for employees who apply positive values as a satisfaction of certain needs. According to Fitri, Ludigdo and Djamhuri quoted by Pramesti, Sambul, and Rumawas, Rewards are a form of appreciation for a certain achievement given, either by and from individuals or an institution which is usually in the form of material or speech. (Rizki Ayu Pramesti, 2019: 9). Meanwhile, according to Busro (2018: 315),

Rewards are an incentive or motivation to improve the performance achieved by a person which is generally manifested in financial form (monetary incentives) such as providing incentives, allowances, bonuses, and commissions. It can be concluded from several opinions above regarding Rewards as a form of appreciation either in material or non-material form given to a person or group who have contributed to the company or organization. The reward indicators according to (Putri, 2021) namely: salary, leave, allowances, and psychological and social rewards.

## Punishment

Punishment is defined by Rivai in Ria Ananda (2022:97) as a tool used by leaders in communicating with employees so that they are willing to change a behavior and as an effort to increase awareness and willingness of a person to obey all company regulations and applicable social norms. Meanwhile, according to Fahmi (2017:68) explains that Punishment is a sanction received by an employee due to his inability to do or carry out work according to the orders of his superiors. From these various definitions, it can be concluded that Punishment is a way of reprimanding employees in the form of sanctions or punishments so that employees do not violate existing regulations in the company. Punishment, the indicators of which according to Rivai in the journal Muchammad Hasyim (2022:3) are light punishment, moderate punishment, and severe punishment.

## METHODS

The type of research conducted in this study is causal associative research with quantitative techniques. According to Sugiyono (2016:55), causal associative research is research that aims to determine the relationship between two or more variables. With this research, a theory can be built that functions to explain, predict and control a symptom. With a sampling technique using a census. The data collection method uses observation and questionnaires.

## RESULTS

A statement is said to be valid if it is able to measure the aspects that are intended to be measured and can reveal information that should be revealed. In this study, validity testing was carried out using the Pearson Coefficient Correlation technique. This test is carried out by looking at the correlation between the scores of each item in the questionnaire with the total score to be measured. The correlation results are then compared with the critical value of rtable at a significance level of 5% ( $\alpha = 0.05$ ) for a total of 37 respondents, which is 0.324. An item is declared valid if the correlation value (rcount) is greater than 0.324, and is declared invalid if the rcount value is smaller than that number. Thus, the higher the Pearson correlation coefficient of an item, the higher the level of validity of the item. This test was carried out with the help of SPSS version 25 software. Based on the results of the validity test on all statements, it was obtained that 8 items in the first independent variable (X1), 9 items in the second independent variable (X2), and 10 items in the dependent variable (Y) showed good validity. Overall, the validity of the instruments measuring the reward (X1), punishment (X2), and employee performance (Y) variables is listed in the table below.

### Data Validity Test

#### Results of Research Instrument Validity Test

Variable	Rcount	Rtable	Information
Reward (X1)	0,219	0,324	Invalid
	0,397	0,324	Valid
	0,491	0,324	Valid
	0,493	0,324	Valid
	0,529	0,324	Valid
	0,519	0,324	Valid
	0,559	0,324	Valid
	0,555	0,324	Valid
	0,287	0,324	Invalid
	0,531	0,324	Valid
Punishment	0,516	0,324	Valid

<b>(X2)</b>	0,639	0,324	Valid
	0,442	0,324	Valid
	0,396	0,324	Valid
	0,527	0,324	Valid
	0,505	0,324	Valid
	0,474	0,324	Valid
	0,455	0,324	Valid
	0,260	0,324	Invalid
	0,676	0,324	Valid
<b>EmployeePerfomance (Y)</b>	0,495	0,324	Valid
	0,541	0,324	Valid
	0,448	0,324	Valid
	0,426	0,324	Valid
	0,508	0,324	Valid
	0,506	0,324	Valid
	0,691	0,324	Valid
	0,597	0,324	Valid
	0,490	0,324	Valid
	0,678	0,324	Valid

Based on the table, out of 30 questions asked, there are three indicators that do not meet the validity criteria, namely two items in the Reward indicator (X1) and one item in the Punishment indicator (X2). Meanwhile, the other items show a level of validity that is in accordance with the research criteria, namely having a calculated r value that is greater than r table. Therefore, as many as 27 questionnaire items are declared valid and suitable for use as instruments in this study.

### Data Reliability Test

Reliability test is the extent to which measurement results using the same object will produce the same data. To test the reliability of the questionnaire used, a reliability analysis was carried out based on the Cronbach Alpha coefficient. The limit value used to assess the acceptable level of reliability is 0.60.

### Reliability Test Results of Research Instruments

Variable	Number Of Items	Cronbach's Alpha	Status
Reward	8	0,630	Reliable
Punishment	9	0,679	Reliable
Employee Perfomance	10	0,719	Reliable

Based on the results of the reliability test in Table 8, the cronbach's alpha value for the Reward variable (X1), the Punishment variable (X2), and the Performance variable (Y) have a cronbach's alpha value > 0.60. Based on these results, it can be concluded that all variables in this study have reliable status.

## **CONCLUSION**

1. The reward variable (X1) has a significance value of 0.019 which is smaller than the limit of 0.05. This indicates that Ho is rejected and Ha is accepted, so it can be concluded that rewards have a significant effect on employee performance at CV. Dinamika Mitra Nusantara, Bengkulu City.
2. The punishment variable (X2) has a significance value of 0.000 which is smaller than the limit of 0.05. This indicates that Ho is rejected and Ha is accepted, so it can be concluded that punishment has a significant effect on employee performance at CV. Dinamika Mitra Nusantara, Bengkulu City.
3. The simultaneous application of rewards and punishments has a positive and significant impact on improving employee performance at CV. Dinamika Mitra Nusantara, Bengkulu City. This is evidenced by a significance value of 0.000 which is smaller than 0.05, and a calculated F value of 87.853 with a significance of 0.000.

## **SUGGESTION**

1. To obtain more significant results, it is recommended that subsequent studies involve a larger sample size. In addition, future studies should consider adding other independent variables to produce more comprehensive findings. Employee performance in the banking sector is not only influenced by rewards and punishments, but can also be influenced by other independent factors.
2. This study can be used as a reference and guide for subsequent researchers in conducting further studies on customer satisfaction, by considering the use of different methods, such as a qualitative approach through in-depth interviews with employees. Aspects such as physical evidence, reliability, responsiveness, assurance, and empathy can be the main focus in evaluating the level of customer satisfaction.

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