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THE INFLUENCE OF REWARD AND PUNISHMENT ON EMPLOYEE PERFORMANCE

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Abstract
The purpose of this research is to investigate the impact of various forms of motivation on employee performance in the spiritus & alcohol factory setting. In particular, this study will examine the following questions: (1) the effect of reward on employee performance in spiritus & alcohol factory (2) the effect of punishment on employee performance in spiritus & alcohol factory (3) the simultaneous effect of reward and punishment on employee performance in spiritus & alcohol factory. This study employs an associative research approach, employing quantitative methods. The population of this study comprised all employees of the spiritus & alcohol factory, with a sample size of 75 respondents. Sampling was conducted using saturated samples as the sampling technique. A questionnaire was employed as the data collection technique. The Assumption Test employs normality testing and multicollinearity testing. The Regression Test utilizes multiple regression testing. The coefficient of determination test is utilized to ascertain the percentage of dependent change (Y) attributed to the independent variable (X). Hypothesis testing is conducted using the T and F test. The results of this study concluded that: (1) reward had a significant effect on the performance of employees which indicated the value of tcount $<t_{table}$ ie 3,212 > 1.993. (2) punishment has a significant effect on employee performance which is indicated by t_{count} $<t_{table}$, namely 4,605 > 1.993. (3) reward and punishment simultaneously effects on employee performance which is indicated by the value of F_{count}> F_{table} that is 22,238 >3.12.
Keywords: Reward, Punishment, Employee Performance

INTRODUCTION

In an increasingly competitive business world, employee performance is one of the key factors that determine the success of an organization (Bakar et al., 2023). Employee performance is very important to achieve company goals. In addition, superior performance strengthens a company's competitiveness in the Therefore, management should focus on effective strategies, including fair rewards and punishments, to improve employee performance to achieve company goals.

Rewards and punishments must be given by the company properly and fairly to employees (Hidayat, 2023). Employees complain about how the permanent employee or civil servant system provided by the company is very rare. Employee appointments are made by the company only at least once every 5 years. Rewards are also only given to permanent civil

servant employees while PKWT employees are only given overtime pay which is also not in accordance with government regulations.

Disappointment with the rewards given to employees at the spiritusus and alcohol factory is shown by lateness in coming to work and lateness in coming to work after rest hours this proves their poor performance. They have not felt the fair reward given by employees to PKWT employees. Punishment for late employees is also not firm, they are only given a stern warning when they commit an offense. Based on the description above discussed, it shows that performance is a very important highlight in the life of the company, the authors are thus motivated to undertake research on The Effect of Reward and Punishment on Employee Performance.

Literature Review

Reward

A company's use of rewards as a control tool is an important aspect of motivating personnel to achieve organizational goals. These goals are not necessarily individual personnel goals, but rather the desired behaviors that the company deems appropriate. (Sopiah, 2018). It is reasonable to assume that an employee would anticipate some form of remuneration for their efforts, given that employees have invested their time, ideas and effort into the company (Mulliani, 2020).

Punishment

Punishment can be defined as a form of disciplinary action employed by an authority figure with the aim of improving performance, maintaining compliance with established regulations and imparting a moral or educational lesson to those who have violated the rules (Anwar, 2017). In addition to the provision of rewards, companies can also provide punishment or sanctions to employees who do not do their jobs well, such as negligent work or often violate existing regulations (Cristina et al., 2023).

Employee Performance

Performance can be defined as the accomplishment of a task or objective by an individual or group within an organizational structure, in accordance with their respective authorities and responsibilities (Barima et al., 2021). The implementation of rewards and punishments is an effective strategy to enhance employee performance, as these incentives facilitate the acquisition of qualifications and responsibility for assigned tasks. Reward and punishment are two contradictory words, but both are related to employee performance in the company (Ihsan, 2019).

METHOD

The research methodology employed will be that of associative research, which involves the examination of relationships between two or more variables with the aim of determining their respective roles and influences, and the identification of any causal relationships. The variables of interest in this case are those which can be classified as independent and dependent, respectively (Sugiyono, 2014).

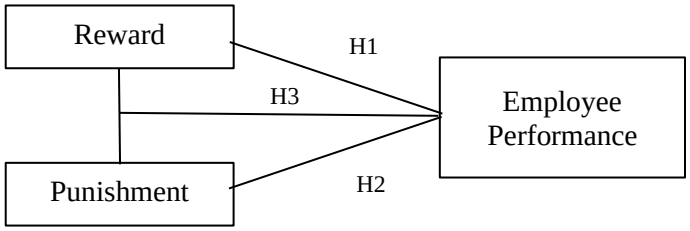

Fig. 1 Research Framework

The population in the company is 75 employees, the determination of this sample uses a saturated sample. Saturated sampling is defined as the use of all members of the population as samples in order to obtain a representative sample (Sugiyono, 2017). The data collection method employed in this study was a questionnaire, which involved presenting written statements to the respondents. The questionnaire is a method of gathering data that involves the administration of a series of questions or written statements to respondents for their responses. The statistical testing methods employed in this study utilized the SPSS 22 software.

RESULTS AND DISCUSSION

Validity Test Results

Where for df = 75 - 2 = 73 and a = 5%, the r_{table} value is obtained = 0.227.

Table 1. Validity Test Result

Variable	Statement	R Count	R Table	Description
Reward (X1)	1	0,381	0,227	Valid
	2	0,427		
	3	0,385		
	4	0,411		
	5	0,329		
	6	0,335		
	7	0,510		
	8	0,374		
	9	0,376		
	10	0,500		
	11	0,330		
	12	0,510		
Punishment (X2)	1	0,644	0,227	Valid
	2	0,254		
	3	0,405		
	4	0,414		
	5	0,398		
	6	0,472		
	7	0,282		
	8	0,401		
	9	0,406		
	10	0,511		
	11	0,378		
	12	0,509		
	13	0,483		
	14	0,670		
	15	0,675		
	16	0,644		
	1	0,542	0,227	Valid

Employee Performance (Y)	2	0,540		
	3	0,708		
	4	0,632		
	5	0,811		
	6	0,815		
	7	0,821		
	8	0,790		
	9	0,526		
	10	0,628		
	11	0,720		
	12	0,753		

The value of r count for each statement in table 1 exceeds the value in r table. Consequently, all statements are deemed to be valid.

Reliability Test Results

Table 2. Reliability Test Result

Variable	Cronbach's Alpha	R Table	Description
X1	0,762	0,70	Reliable
X2	0,844		
Y	0,924		

The instrument is deemed reliable if the r. count (Cronbach's Alpha) value exceeds the r table's value. The results from the reliability testing demonstrated that the Cronbach's Alpha value of all variables exceeded the r table value. Therefore, it can be concluded that all variables within this study are deemed reliable.

Normality Test Results

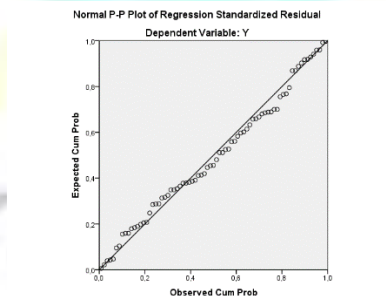

Fig. 2. Normality Test Results

The data points appear to spread around the diagonal line and follow the direction of the diagonal line. meaning that the regression model in question is in accordance with the assumption of normality. Then the data is normally distributed.

Multicollinearity Test Result

In the case where the variance inflation factor (VIF) value lies below 10 and the tolerance value is above 0.1, it can be reasonably concluded that there is no evidence of multicollinearity.

Table 3. Multicollinearity Test Result

Variable	Collinearity Statistics	
	Tollerance	VIF
X1	,909	1,100
X2	,909	1,100

All independent variables exhibit a tolerance value greater than 0.1, and the variance inflation factor (VIF) is less than 10. Consequently, it can be posited that the model is devoid of symptoms indicative of multicollinearity.

Multiple Linear Regression Test Results

T Table Test

The fundamental principle upon which inferences are based is that if the calculated value of t exceeds the critical value of t from the table, and the p-value is less than 0.05, indicating that the null hypothesis (Ho) is rejected and the alternative hypothesis (Ha) is accepted.

Table 4. T Table Test Result

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	7,227	6,612		1,093	,278
Reward	,373	,116	,312	3,212	,002
Punishment	,384	,083	,447	4,605	,000

a. Dependent Variable: Employee Performance

Value of the Reward variable is 0.02, with a t count of 3.212. The Punishment variable exhibits a probability value of 0.000, with a t count of 4.605. The ttable value is calculated by determining the degree of freedom (df), which in this study was 75 respondents. Therefore, the df is 75-2, or 73. With a significance level of 5% or 0.05, the ttable value is 1.993. So that hypothesis 1 is suspected to have an influence between Reward on employee performance at the spiritusus and alcohol factory is proven to be acceptable.

It can be concluded that the t value of Punishment (4.605) is greater than the t table (1.993). So that hypothesis 2 is suspected to have an influence between punishment on employee performance at the spiritus and alcohol factory is proven to be acceptable.

F Table Test

If the calculated F table exceeds the F count, it can be inferred that the variable of interest is sufficiently explanatory of the dependent variable to be considered significant.

Table 5. F Table Test Result

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	853,577	2	426,789	22,238	,000[b]
Residual	1381,810	72	19,192		
Total	2235,387	74			

a. Dependent Variable: Kinerja
b. Predictors: (Constant), Punishment, Reward

Based on the research results obtained Fcount (22.238) > Ftable (3.12). So that Ho is rejected, and Ha is accepted, mean that hypothesis 3 the reward and punishment variables simultaneously affect employee performance.

Determinant Coefficient

Determinant Coefficient analysis is conducted with the objective of ascertaining the degree of impact exerted by reward (X1) and punishment (X2) on employee performance (Y).

Table 6. Determinant Coefficient

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,618[a]	,382	,365	4,381

a. Predictors: (Constant), Punishment, Reward

The results of the output table indicate that the Adjusted R-square value of 0.382 signifies that the combined influence of Reward and Punishment on employee performance accounts for 38.2% of the total, and the remaining 61.8% is influenced by factors that are not within the scope of the object under study.

CONCLUSION

The initial hypothesis was tested, and the results demonstrated that reward has a significant influence on employee performance at the spirits and alcohol factory. Testing of the second hypothesis yielded evidence that Punishment also exerts a significant effect on Employee Performance. Thus, if Punishment in the spiritus and alcohol factory is increased, then employee performance will increase. In addition, Reward and Punishment simultaneously have a significant effect on employee performance at the spiritus and alcohol factory, which means that the better the implementation of Reward and Punishment, the more it can improve employee performance.

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