

Effect of Rewards on Employee Performance At PT Sejahtera Mandiri Lubuk Pakam

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ABSTRACT

Sejahtera Mandiri Lubuk Pakam as many as 32 people. The results of this study indicate that the independent variable, namely Reward (X), has a positive and significant effect on the dependent variable, namely Employee Performance (Y) at PT. Sejahtera Mandiri Lubuk Pakam.

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1. INTRODUCTION

In the world of work, good employee performance will result in optimal work. Therefore, leaders need to evaluate the performance of employees and make reports on these conditions as a consideration for making policies and decisions. Leaders must be wise in making good decisions regarding rewarding employees. In the business world, companies must manage a variety of activities to be able to produce quality products and services compared to other companies. Every company in global competition will formulate the best strategy to compete so that human resources are needed to develop the organization and carry out business activities within the organization.

The phenomenon of fierce and competitive business competition creates new challenges and opportunities for companies to be able to understand and conceptualize human resource management (HRM), this means that the key to success in facing competition is managing human resources which are important assets (Dessler G, 2003). It can be concluded that human resources are managed to maintain and improve their quality and performance. Leaders need to know the ability or performance of employees in order to know and plan solutions to problems that occur on the performance, in order to achieve efficiency and achieve organizational goals. One of the effective ways to determine the ability and motivate employees is by giving employee rewards (Riza, 2015).

Rewards aim to motivate employees to be even more active at work. Companies provide rewards as a form of remuneration for employee work such as salaries and wages, employee benefits and bonuses, while promotions and award certificates will be given to employees who have performed well. This is expected to improve the performance of employees of PT. Sejahtera Mandiri (Nugroho, 2006). PT. Sejahtera Mandiri is a company engaged in the plastic and household needs industry as a manufacturer that provides various types of plastic bags (trash plastic, ice plastic, oil plastic, tarpaulin, and polybags) in the form of bags and rolls of various colors and types. This

company also facilitates the delivery of goods directly to consumers' addresses in order to create convenience for consumers. Based on this background, the authors see that there is an influence between giving rewards on employee performance. By giving rewards by the company, it can motivate employees to work with other employees to further improve their performance (Dwi Kuncoro, 2014). Rewards are raised to motivate someone to be active in carrying out their responsibilities because there is an assumption that by giving gifts for their work, employees will work optimally because the results of the hard work they have given are appreciated by the company. in the sense of the word, if a person's work is appreciated then employees will continue to improve their work performance.

2. RESEARCH METHOD

2.1.Types of Research

This type of research is quantitative descriptive, according to Djarwanto (1996), namely research that aims to describe or describe the characteristics (characteristics) of a situation or object of research carried out through the collection and analysis of quantitative data and statistical testing.

2.2.Place and Time of Research

This research was conducted at PT. Sejahtera Mandiri Lubuk Pakam. When the research was conducted from April to June 2020.

2.3.Population and Sampling Techniques

According to Sugiyono (2005: 80), "Population is a generalization area consisting of: objects / subjects that have certain quantities and characteristics applied by researchers to study. and then the conclusion is drawn. According to Ismiyanto, "population is the whole subject or the totality of research subjects which can be in the form of people, objects / things which can be obtained and / or can provide research information (data)". Meanwhile, according to Arikunto "Population is the whole object of research. If someone wants to research all the elements that exist in the research area, then the research is a population study. This research is a population study. The population in this study were all employees of PT. Sejahtera Mandiri Lubuk Pakam as many as 32 people.

According to Arikunto (2006: 131), the sample is part or representative of the population studied. If we are only going to study a portion of the population, it is called a sample study. Nana Sudjana and Ibrahim (2004: 85) state that the sample is part of the affordable population which has the same characteristics as the population. The sample in this study were 32 respondents, namely employees of PT. Sejahtera Mandiri Lubuk Pakam ..

2.4.Data Collection Instruments

In order to obtain data and information regarding this writing material, the authors use the following data collection methods:

1. Observation, namely research conducted by visiting the object of research directly to obtain the necessary data in this research.
2. Interview, namely research conducted by conducting interviews with a number of consumers who have something to do with this research.
3. Documentation is research carried out by collecting documents or archives that have something to do with the role of credit and promotion to consumers. The questionnaire is a research conducted by distributing questionnaires to a number of respondents who were the sample in this study.

. 2.5.Data Analysis Techniques

Regression analysis is used to test the influence of fundamental factors, namely the effect of rewards and employee performance, using simple regression with a significant level of 95% and $\alpha = 0.05$. The regression equation in this study is as follows: $Y = a + bX$

Where:

Y = Dependent Variable (Employee Performance)

X = Independent Variable (Reward)

a = Constant

b = Magnitude of the regression coefficient of the variable.

2.6. Variable Operational Research

1. X: Reward

Reward is an effort to foster a feeling of being accepted (recognized) in the work environment, which touches aspects of compensation and aspects of the relationship between workers with one another (Nawawi, 2005: 319). Meanwhile, according to Nugroho (2006: 5) Rewards are rewards, prizes, rewards or rewards that aim to make someone more active in their efforts to improve or enhance the performance that has been achieved. From these definitions, it can be concluded that reward is the provision of remuneration / appreciation to employees for their hard work that has exceeded the targets set by the company. The giving of rewards is intended to motivate employees to be even more active at work.

2. Y: Employee Performance Employee

performance is the work that can be achieved by a person or group of people in an organization in accordance with their respective authorities and responsibilities in achieving organizational goals in accordance with established regulations and does not violate the law and is in accordance with morals and ethics. Performance appraisal indicators, namely: Effectiveness and efficiency, Authority and responsibility, Discipline and Initiatives.

3. RESULTS AND DISCUSSION

3.1 Results

In this study, the authors make the data collection in the form of a questionnaire consisting of 10 statements for variable X, 10 statements for variable Y, where the variable X is reward, and variable Y is employee performance. The distributed questionnaire was given to 32 employees as a research sample and using *the Likert Summated Rating (LSR) method*.

Table 1. Measurement of Likert Scale

Statement	Weight
Strongly agree	5
Agree	4
Disagree	3
Disagree	2
Strongly disagree	1

1. Characteristics of Respondents The

Respondents of this study are part of the population at PT. Sejahtera Mandiri with a total sample of 32 employees at the company, which consists of several characteristics, both age, gender and educational.

From the table above it is known that the number of male respondents is 17 people (53.1%), while women were 15 people (46.9%). This is due to the fact that at the time of the implementation of new employee recruitment, more men were received than women.

Table 2. Distribution of Respondents by Age

e	Age	Total	Percentage (%)
1	20-30 years	7 people	21.9%
2	31-40 years	11 people	34.4%
3	41-50 years	8 people	25%
4	51 <	6 Orang	18.7%
Total		32 0 people	100%

From the table it is known that the respondents who work in the largest group are 11 people aged 31-40 years (34.4%), while the smallest group is more than 51 years old as many as 6 people (18.7%). From the table it can be seen that the employee respondents registered at PT. Sejahtera Mandiri with the largest group for education, 14 high school students 2. Validity and Reliability Test Results

a. Validity Test

After collecting the questionnaire from the respondent, then the validity test was conducted again on the data obtained. Validity shows the accuracy and accuracy of a measuring instrument in performing its measuring function. Validity testing is done by using the correlation formula *product moment*. R_{count} is obtained from the output, the value is then compared with the r_{table} value from the statistical book. The validity test can be done by looking at the correlation between the score of each item in the questionnaire with the total score to be measured, using the *Pearson Correlation Coefficient* in SPSS. If the significance value (*P Value*) > 0.05 , there is no significant relationship. Meanwhile, if the significance value (*P Value*) < 0.05 , there is a significant relationship. This study uses an analytical tool in the form of SPSS 16 (*Statistical Package for Social Science 16*). The results of the data validity test can be seen in the following table.

Table 3 Validity Test of Reward Instruments (X)

Variable	No. Statement	Rcount	Rtable	Information
Reward (X)	Statement 1	0.720	0.349	Valid
	Statement 2	0.773	0.349	Valid
	Statement 3	0.633	0.349	Valid
	Statement 4	0.720	0.349	Valid
	Statement 5	0.720	0.349	Valid
	Statement 6	0.646	0,349	Valid
	Statement 7	0.524	0.349	Valid

b. Reliability Test

Based on the reliability test, the next test is the reliability test. The purpose of this reliability test is to measure that the variables used are completely error free so as to produce consistent results. A variable is said to be reliable if the Cronbach Alpha (α) value is > 0.60 . The results of the reliability test in this study can be seen in the table as follows:

Table 4 Reliability(X)

Statistics Reliability Statistics	
Cronbach's Alpha N of Items.	
845	10 The

value of the reliability coefficient (*Cronbach Alpha*) above is $0.845 > 0.6$, the conclusion is the instrument being tested is reliable or trustworthy.

Table 5. Employee Performance Reliability (Y)

Reliability Statistics

Cronbach's Alpha N of Items	
.851	10 The

value of the reliability coefficient (*Cronbach Alpha*) above is $0.851 > 0.6$, so the conclusion is the instrument being tested is reliable or reliable.

c. Normality

Test Data normality test is conducted to see whether in the regression model, the dependent and independent variables have a normal distribution or not. If the data spreads around the diagonal line and follows the direction of the diagonal line, the regression meets the normality assumption. Graph analysis is done by looking at the *normal pp plot*. The results of normality testing with graphical analysis using SPSS version 16 can be seen in Figure 1. as follows:

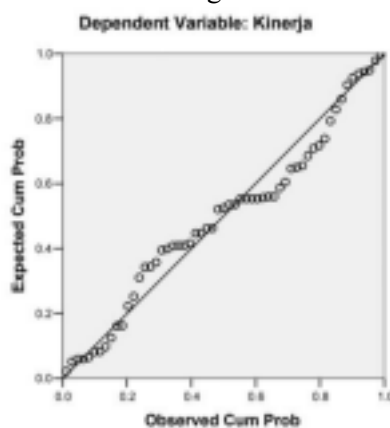


Figure 1 : Normality Test Results Using the Normal Probability Plot Graph Method

3.Simple Linear Regression

To prove the influence between variables, then using simple linear regression method. In this study using SPSS version 16. In this analysis there are two types of variables used are the dependent variable (reward) and the independent variable (employee performance). Following are the results of the calculation and data analysis of the effect of independent variables on the dependent variable using simple linear regression analysis. Table.a. Dependent Variable: Employee Performance From calculations using a computer program, namely SPSS (*Statistical Program for Social Science*) version 16.0, it is obtained: $Y = 4,348 + 0.796X$. The coefficient used in this study is Unstandardized Coefficients Beta. From the simple linear regression equation above. It can be seen that:

1. A constant of 4,348 shows that if the reward variable is constant, the employee performance variable value is 4,348.
2. The value of 0.796 shows that if the reward variable (X) increases by one, the value of the reward variable will increase by 0.796 assuming other factors are constant.

3.2 Discussion The

discussion here outlines the facts in the field that have been described above in relation to answering the problem formulation "the extent of the effect of rewards on employee performance at PT Sejahtera Mandiri Lubuk Pakam". The validity test shows that the calculated value of each variable is greater than r table of 0.349 and the level of significance of each variable is less than 0.05. So, it can be concluded that each question item is valid. The reliability test shows that the Cronbach Alpha of each construct or variable is greater than 0.60 which means that the questionnaire which is the indicators of these variables is reliable or reliable. This can be seen from the Cronbach Alphabet value. The results of the tests that have been carried out are as follows: Reward (X) of 0.845 and Employee Performance (Y) of 0.851. Based on the simple regression coefficient value that has been described previously, it shows that the regression coefficient value for the Reward variable with the dependent variable Employee Performance is 0.796 with a constant of 4.348. The regression equation

obtained from the study is $Y = 4,348 + 0,796X$. From the regression equation, it is known that the regression coefficient parameter for the Reward variable is positive for Employee Performance at PT. Sejahtera Mandiri Lubuk Pakam. In an effort to identify how far the influence of the independent variable on the dependent variable, it is necessary to look at the coefficient of determination. As previously described, the R square value is 0.695, which means that the influence of the independent variable (reward) on the dependent variable (employee performance) is 0.695. This means that 69.5% of the employee performance variable is explained by the independent variable reward. While the remaining 30.5% is influenced by other factors which were not examined in this study.

Furthermore, to determine whether the results of this study are significant or not, it is necessary to show the comparison between t count and t table, it is known from the items of the partial hypothesis test above with the degrees of freedom (dk) $n_2 = 32 - 2 = 30$ is 2.042. The results show that the t count is 6.390 while the t table is 2.042 which is smaller than the t count, and the sig reward value (X) is $0.000 < 0.05$, because the value is less than 5% (0.05) which means that the reward variable has a significant effect on employee performance. Employee performance can be influenced by rewards and applied by top management or leadership. PT. Sejahtera Mandiri which is a company that conducts specific directions and explains the work even decisions are taken without asking for suggestions from subordinates, then the leadership does not support the business or ideas initiated by employees, besides that the leadership is also the not provide motivation to employees and does not go down directly to see employee activities so that employees are more motivated and work better and receive rewards from the company.

Employee performance is a work result that can be achieved by a person or group of people in an organization according to their respective authorities and responsibilities in order to realize company goals. Work assessment components such as company environment, risk assessment, information and communication, good assessment and monitoring activities will encourage employee performance to be more disciplined and responsible. If these two factors are implemented properly, employees can work optimally and try to improve their performance. Employee performance of PT. Sejahtera Mandiri in general is already high, seen from the low level of work errors and always prioritizes the perfection of work results, however employees should generally perform work standards such as doing the 3 S (greetings, greetings and smiles) so that customers and prospective customers feel more comfortable and appreciated and There are still some employees who do not count and there are employees who feel that the work they are doing is not their expertise, there are even employees who feel that the work target given by the company is without paying attention to the employee's condition, besides that there is a lack of employee initiative in using their spare time to do work who procrastinated and complained when accepting additional work which was basically her main task.

4. CONCLUSION

There is an effect of Reward (X) on Employee Performance (Y) at PT. Sejahtera Mandiri Lubuk Pakam. Rewards really support the success in a company to improve employee work performance, especially at PT. Sejahtera Mandiri Lubuk Pakam, the more the provision of good rewards to employees, the better the employee's performance at PT. Sejahtera Mandiri Lubuk Pakam, and vice versa if the reward given is not good, the employee's performance will also be poor.

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