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The Effect of Reward and Punishment on Work Discipline

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Abstract

The purpose of this research is to 1] test and analyze the effect of partial rewards on the work discipline of employees of PT. Brass Mega Building; 2] partially test and analyze the effect of punishment on the work discipline of PT. Brass Mega Building; and 3] testing and analyzing the effect of reward and punishment simultaneously on the work discipline of PT. Brass Mega Building. The research method used is descriptive and verification methods. The population in this study were all employees of PT. Kuningan Mega Building, Kuningan Regency, totaling 52 employees with a sampling technique using a saturated sample (Sesnus) so that the entire population was used as the research sample. The data analysis method used is multiple linear regression analysis. The results of this study indicate that Reward (X1) has a positive and significant effect on Work Discipline (Y) employees of PT. Kuningan Mega Building, Punishment (X2) has a positive and significant effect on work discipline (Y) employees of PT. Kuningan Mega Building, and Reward (X1) and Punishment (X2) simultaneously or jointly have a positive and significant effect on work discipline (Y) employees of PT. Kuningan Mega Building Kuningan district. This study verifies previous studies that reward and punishment either partially or simultaneously have a positive and significant effect on work discipline. This means that the higher the reward and punishment applied to a company, the higher the level of work discipline in the company.

Keyword: Reward; punishment; work discipline

1. Introduction

Work Discipline in employees is very much needed, because what is the company's goal will be difficult to achieve if there is no work discipline. Discipline is an attitude, behavior, and action of a person in accordance with company regulations, whether written or not (Harahap, Hasibuan, and Watrianthos, 2020). With good Work Discipline, it means that a useful advantage will be achieved, both for the company and for the employees themselves.

Every company must have an assessment system in its own Work Discipline, as well as PT. Kuningan Mega Building Kuningan Regency which is one of the companies engaged in the retail sector. The following is Work Discipline assessment data which is represented by the level of attendance at PT. Kuningan Mega Building Kuningan Regency:

Table 1. data on employee attendance results

years	absent								Employee amountn
	Sick		Permission		late		alpha		
2019	15	30,61%	9	18,36%	8	16,32%	7	14,28%	49
2020	19	40,42%	12	25,53%	8	17,02%	9	19,14%	47
2021	21	40,38%	14	26,92%	12	23,07%	12	23,07%	52

Based on table 1, it can be seen that the percentage of employee absenteeism at PT. Kuningan Mega the Kuningan Regency building from 2019 to 2021 has increased. This shows that the work discipline at PT Kuningan Mega Building, Kuningan Regency is not too good. Previous studies have noted that punishment and rewards can increase knowledge sharing to some extent; however, which one promotes knowledge sharing more is debatable. Moreover, it has not been thoroughly investigated whether higher fines or higher bonuses lead to better knowledge sharing performance (Zhang, Song, and Song, 2020). In a company, rewards and punishments are given as a form of appreciation by the company to its employees for providing the results of their work to the company and giving sanctions (punishments) if the employee's performance is far below expectations. According to Wu, Luan, and Raihani (2022) Rewards and punishments are both expensive temporary measures that result in immediate benefits or costs for the target being rewarded or punished, respectively. The application of appropriate and fair rewards and punishments to employees has been shown to have a positive impact, namely by increasing employee motivation, productivity, and satisfaction.

Path-goal theory suggests that when leaders build a close relationship between subordinates' performance and rewards it will improve performance, because such a relationship increases subordinates' perceptions of instrumentality and increases job satisfaction, because high performers should receive greater rewards and their frequency (Podsakoff et al., 2006). In the reward condition, the more points the participant collects the sooner the task ends, while in the punishment condition, the more points accumulated the longer the task lasts (Guevara, et al., 2022). Meanwhile, according to Ming et al. (2022) that adjustment to the reward mechanism results in attractive performance. While the use of contingent punishment from the same supervisor buffers the detrimental effects of abusive supervision, the use of contingent rewards augments it (Yang et al., 2021). Rewards and

punishment policies motivate employees to have a higher level of work discipline and provide better performance to the company, thereby making them receive rewards and avoid punishments given by PT. Kuningan Mega Building, Kuningan Regency.

2. Material and Method

The research method used is descriptive and verification methods. Descriptive method according to Sugiyono (2017) is a method used to describe or describe the data that has been collected as it is without intending to make generally accepted conclusions, descriptive methods are used to describe the formulation of the first, second, and third problems.

2.1 Design Study

In this study, the population is all employees of PT. Kuningan Mega Building Kuningan Regency, totaling 52 employees. The number of samples refers to the opinion of Arikunto (2006) that if the total population is less than 100 people, then the number of samples taken is the entire population. Techniques in obtaining data are carried out by interviews with structured instruments in the form of questionnaires.

2.2 Data Analysis

After compiling the research instrument, the next step is to distribute the questionnaire form directly to the employees of PT. Kuningan Mega Building, Kuningan Regency. After obtaining the appropriate number of samples, the data were analyzed using Multiple Linear Regression Analysis with the SPSS tool.

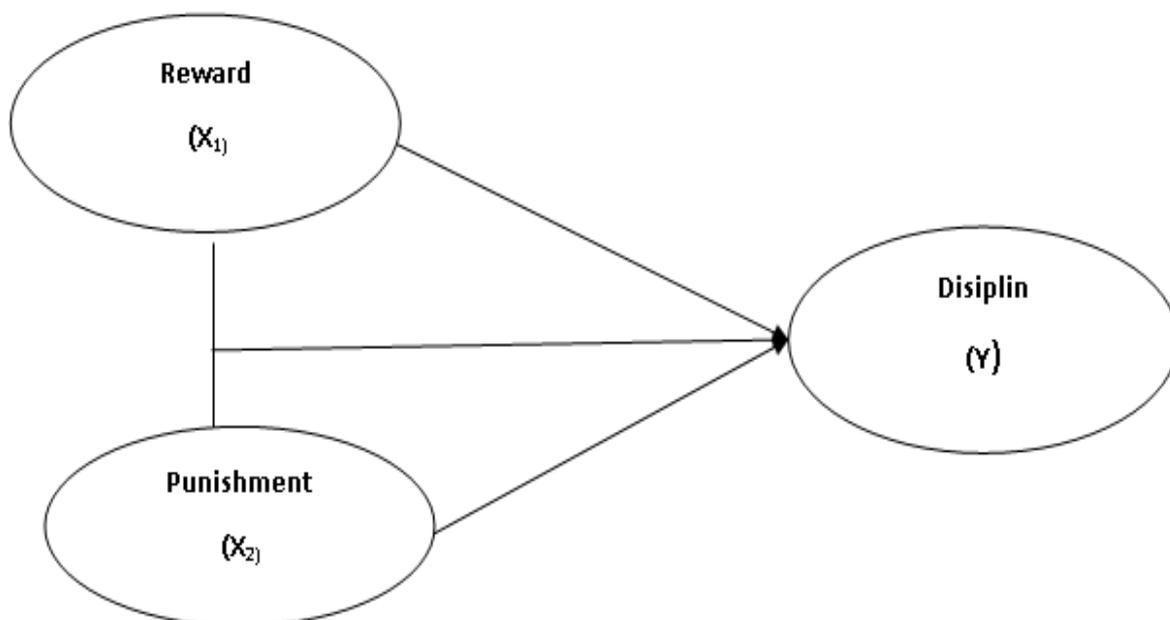


Figure 1. Research Model

3. Result

Effect of reward on work discipline

Table 2. Effect of reward on work discipline

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	19.176	3.171		6.047	.000
	TOTAL_X1	.695	.093	.726	7.466	.000

a. Dependent Variable: TOTAL_Y

Based on Table 2, the calculated t value for the Reward variable is 7.466 while the t table value at degrees of freedom (dk) = 52-2 = 50 and the significant level = 0.05, the t table value is 1.67591. Thus, it can be concluded that t arithmetic > t table is 7.466 > 1.67591 and sig.t value is 0.000 < 0.05. So, Ho is rejected and Ha is accepted, meaning that there is an effect of Reward on Work Discipline. This shows that the first hypothesis regarding Reward has been tested.

Rewards must be considered by PT. Kuningan Mega Bangunan because it can affect work discipline, based on the results of the frequency distribution, there are components that must be maintained so that rewards can maintain the level of employee work discipline to increase. In accordance with the results of Pramesti, Sambul, and Rumawas (2019) research which shows that the reward variable (X1) has a positive and significant effect on the performance of KFC Artha Gading employees. This is because the presence of rewards makes employees happier and more productive in doing their jobs.

The effect of punishment on work discipline

Table 3. The effect of punishment on work discipline

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	25.789	3.655		7.056	.000
	TOTAL_X2	.993	.213	.550	4.661	.000

a. Dependent Variable: TOTAL_Y

Based on Table 3, it can be seen that the calculated t value for the work discipline variable is 4.661 while the t table value at degrees of freedom (dk) = 52-2 = 50 and the significant level = 0.05, the t table value is 1.67591. Thus, it can be concluded that t arithmetic > t table is 4.661

> 1.67591 and sig.t value is 0.000 <0.05. So Ho is rejected and Ha is accepted, meaning that there is an effect of Punishment on work discipline. This shows that the second hypothesis regarding work discipline has been tested.

Another thing that must be considered besides Reward is Punishment, because Punishment has a positive effect on work discipline at PT. Kuningan Mega Building, Kuningan Regency, with evidence that there are components in the indicators that must be maintained by the company. This is in line with previous research conducted by Pramesti, Sambul, and Rumawas (2019) that punishment (X2) has a positive and significant effect on the performance of KFC Artha Gading employees. This is because the existence of Punishment limits behavior, so that unexpected behavior does not occur.

Effect of reward and punishment on work discipline

Table 4. Effect of reward and punishment on work discipline

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	404.446	2	202.223	41.248	.000 ^b
	Residual	240.227	49	4.903		
	Total	644.673	51			
a. Dependent Variable: TOTAL_Y						
b. Predictors: (Constant), TOTAL_X2, TOTAL_X1						

From the output results above, the calculated f value is 41,248 with a significant value of 0.000 and the f table value is 3.18. This is evidenced by the value of sig 0.000 <0.05 and the value of fcount> ftable that is 41,248> 3.18. This means that statistically the Reward and Punishment variables together have a positive and significant influence on Work Discipline.

Based on the results of the coefficient of determination, the Adjusted R Square (R2) value is 0.612%, this value shows that the magnitude of the influence of the Reward and Punishment variables together on work discipline is 61.2%. The remaining 38.8% can be influenced by other factors. In addition, the results of the F (simultaneous) test also prove that the leadership can be trusted by employees to achieve organizational or company goals and I am present on time together and it affects employee work discipline with an Fcount of 12.612 > Ftable of 3.18. This means that there is an influence between Reward and Punishment together on work discipline. While high-strength rewards are as effective as high-strength punishments, most studies find that low-power rewards are ineffective (Nosenzo and Sefton, 2012) and research conducted by Sujatmiko et al. (2020) which states that there is a significant relationship between reward (p value = 0.022) and punishment (p value = 0.036) with work discipline for employees of the Grandmed Lubuk Pakam Hospital office in 2020.

Based on the results of these studies, work discipline on employees of PT. Kuningan Mega Building can increase if the company pays attention to the factors related to the Reward and Punishment variables. However, research is still needed on other variables that might affect work discipline. Thus, the results of these studies can later be taken into consideration for companies to improve work discipline for employees of PT. Kuningan Mega Building Kuningan Regency

4. Conclusion, Implication, and Recommendation

This study concludes 1] The effect of Reward (X1) has a positive and significant effect on Work Discipline (Y) on employees of PT. Kuningan Mega Building, Kuningan Regency. This means that the better the level of reward given by the leader or company to employees, the better the work discipline of the employees. 2] The effect of Punishment (X2) has a positive and significant effect on work discipline (Y) on employees of PT. Kuningan Mega Building, Kuningan Regency. This means that the better the level of Punishment on the organization, the better the work discipline of its employees. 3] Reward (X1) and Punishment (X2) simultaneously or together have a positive and significant effect on work discipline (Y) on employees of PT. Kuningan Mega Building, Kuningan Regency. This means that the higher the level of Reward and Punishment in the company, the better the work discipline of its employees.

Implications in this study 1] the lowest average value of the Reward variable is found in P4 of 4.10, namely "leaders always promote their employees' positions when they excel at work", in the future so that leaders can promote their employees' positions well, with the aim of increasing employee performance. 2] the Punishment variable has the highest average value in P2 of 4.35, namely "the company does not hesitate to cut leave allowances for employees who skip work", the company must maintain it to maintain employee discipline. Based on the results of the study, conclusions, implications and limitations, the researchers provide suggestions 1] To PT. Kuningan Mega Building Kuningan Regency is expected to further increase the Reward, Punishment, and Work Discipline of its employees. It aims to maintain the human resources that it has by paying attention to factors that can affect work discipline such as rewards and punishments. For further researchers, it is hoped that they can examine other variables besides Reward, Punishment, and Work Discipline of their employees so that they will obtain more varied results and be able to describe other things that can affect employee work discipline.

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