The Benefits of a Culture of Providing Rewards and Appreciations to Organization Members to Improve Performance

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ABSTRACT

Culture is a set of values, beliefs, and attitudes that guide an organization's strategic goals and objectives directions. Rewards are bonuses or appreciation given to organizational members for their consistency and good performance. Of course, this encourages the involvement of organizational members and teaches organizational values which can result in higher growth. The research method used in this research is the library research method by concluding previous research or literature review. The purpose of this research is to determine the benefits of providing rewards for the performance of organizational members. Organizational culture is the basis or basis for the similarity of opinions and beliefs as well as practical values for all members of the organization. Rewards can also be said to be a culture in an organization, where they can attract employees' attention and provide information or remind them of the importance of the thing being rewarded compared to others.

Key Word
Organizational Culture, Rewards, Awards, Performance

INTRODUCTION

A good, growing and developing organization will prioritize resources. Humans (human resources) must carry out their functions optimally, especially in facing the dynamics of environmental changes that occur. Therefore, the technical, theoretical and conceptual morale of organizational and corporate actors at all levels of work is very important. Apart from that, the position of human resources at the highest level is also useful for encouraging companies to display behavioral norms, values and beliefs as an important means of improving performance.

Work culture capability has an impact on employee performance because human resource capability is a formal approach taken by an organization to ensure that people have the necessary qualifications, abilities and experience when needed. Employee performance is defined as a person's results and efforts achieved through their abilities and actions in certain situations. Every company strives to improve the performance of
its employees in order to achieve company goals. An employee's performance is unique because each employee has a different level of ability in carrying out their duties (Zebua, 2020).

According to Pradnyani, as quoted in the article (Makkuradde, et al, 2021), then, through giving awards, you can motivate employee work. Rewards or awards are given to motivate someone to be active in carrying out their responsibilities because there is an assumption that by giving gifts for the results of their work, employees will work more optimally. Rewards or bonuses given by the company to employees who perform well.

In the era of globalization and increasingly intense business competition, organizations must continue to improve their performance to remain competitive. One effective strategy to achieve this is to develop a culture of giving rewards and appreciation to organizational members. Rewards and appreciation are not only a form of appreciation for employee contributions and achievements, but also function as a motivator to improve performance.

Rewards and awards can be material such as bonuses, incentives and salary increases, as well as non-material such as recognition, career development opportunities and public awards. The implementation of this strategy is based on motivation theory which states that employee behavior can be influenced by external incentives. One relevant theory is Vroom's Expectancy Theory, which states that employees will be motivated to work hard if they believe that their efforts will result in good performance, and good performance will be rewarded.

This research aims to examine the benefits of a culture of giving rewards and rewards in organizations, as well as how this strategy can be implemented effectively to improve employee performance. This research will explore various forms of rewards and recognition that can be given, their impact on employee motivation and performance, as well as factors that influence the effectiveness of implementing this strategy.

In an organizational context, a culture of giving rewards and recognition has an impact not only on individual employees, but also on the entire team and organization. When employees feel appreciated and recognized, they tend to have higher job satisfaction, increased loyalty, and greater morale. This will ultimately have a positive impact on productivity, work quality and innovation in the organization.

Therefore, this research is important to understand how a culture of giving rewards and rewards can be a strategic tool in human resource management to achieve organizational goals. By understanding the benefits and how to effectively implement them, organizations can create a work environment that is more productive, harmonious and oriented towards high performance.
RESEARCH METHOD

Method research used on writing. This is with use method study qualitative ones data collection is carried out with quote from study previous And taken conclusion library research. A literature review or also called a literary review of previous research plays a very important role in forming the framework for thinking in this research (Adlini et al., 2022). The method used in this article is library research, namely a method of collecting data by understanding and studying theories from relevant literature.

This research uses a qualitative approach known as literature study or literature study. Library research is a type of research that focuses on the analysis, understanding and synthesis of literature in a particular field of knowledge or topic, findings and trends in a field of study (Sufia et al., 2023). The scope of the data used is research journal articles on educational strategies and quality improvement.

In research, there are four stages of literature study: preparing the necessary tools, preparing a bibliography of works, managing time, and reading or taking notes on research materials. The data collection used source search and construction methods from various sources, including books, journals and previous research. To support these propositions and ideas, library materials obtained from various references are analyzed critically and must be in-depth.

Data was obtained through searching the accredited national journal Sinta on the Garuda website (Garba Digital Reference) and Perish/Harzing software. Data analysis software based on Microsoft Excel and Mendeley Desktop (Rohmah, et al, 2023).

RESULT AND DISCUSSION

Benefits of a Culture of Providing Rewards and Awards to Organization Members to Improve Performance

Culture Organization

Culture is an identical or unique habit, which is carried out routinely and becomes its own characteristic. Apart from that, cultures also have a high level of originality, so they really differentiate one from another. In this context, culture turns into an inherent identity in the form of an image (Soelistya et al., 2020).

In Erni Rernawan's book (2011), the definition of organization according to Mathis and Jackson is a social unity according to which a group of people interact with each other from an exclusive pattern as a result of which each member of the organization has their own function & duties, becoming a unit that has exclusive goals & has boundaries. clear boundaries, as a result they can be separated" (Ishiqa Ramadhany Putri & Ningrum Fauziah Yusuf, 2022).

Every organization has a culture, formed by a pattern of beliefs, expectations, and meanings that direct the thinking and behavior of the organization's members. In
general, Company Culture is stated as a Credo (Slogan, Motto in the form of a short sentence) for internal companies and external/customers.

Organizational culture can be defined as a system of values, beliefs, assumptions or norms that have long been in effect, agreed upon and followed by members of an organization as guidelines for behavior and solutions. Organizational problems. Organizational culture is also called corporate culture, namely a set of values or norms that have been in effect for a relatively long time, shared by members of the organization (employees) as norms of behavior in resolving organizational (company) problems. In organizational culture, values are socialized and internalized within members, animating each person in the organization. Thus, organizational culture is the soul of the organization and the souls of the organization's members (Kamaroellah, 2018).

In simple terms, organizational culture can also be interpreted as how everything is done in that place. Culture in an organization involves a set of experiences, philosophies, experiences, expectations and also the values contained within it which will later be reflected in the behavior of members, starting from inner working, interaction with the environment outside the organization, to expectations in the future (Islam et al., 2020).

Several definitions of organizational culture according to sociologists include:

1. According to Schein, the definition of organizational culture is a pattern of various basic assumptions that are discovered, created, or developed by a group with the aim that the organization learns to overcome and overcome problems that arise as a result of external adaptation and internal integration that are already running quite well. Thus, organizational culture must be taught to all new members as the correct way to understand, think, and feel regarding these issues.

2. According to Gareth R Jones, the definition of organizational culture is a shared perception held by each member of the organization which forms a system of shared meaning.

3. According to Walter Re Freytag, the definition of organizational culture is various conscious or unconscious assumptions and values that are able to bind the cohesion of an organization. These assumptions and values determine the behavior patterns of members in the organization (Hadijaya, 2020).

Thus, it can be concluded that organizational culture is the basis or basis for the similarity of opinions and beliefs as well as practical values for all members of the organization. For companies that implement organizational culture, it is considered necessary because organizational culture is the business principles and traditions adhered to by all employees of the company or organization and is the source of employee movement and behavior, so it is considered as one of the triggers for success.
Building a strong organizational culture takes a long time and occurs gradually. Along the way, organizations experience ups and downs and sometimes adopt different organizational cultures. Organizational culture can be formed in various ways. This method usually goes through several stages, namely:

1. Someone has some ideas or ideas for forming a new organization.
2. The founder brings in one or more key people who are the thinkers and form the core. A group that has the same vision as its founder.
3. The group initiated a series of activities to make the organization a reality. Determine the type and location of activities and other related matters.
4. As a final step, other people were brought in to work with the founders and core group of the organization and finally began to create a shared historical formation (Wahyudin, 2022).

According to Robbins in (Ishiqa Ramadhany Putri & Ningrum Fauziah Yusuf, 2022), culture has five goals:

1. Culture establishes a clear contrast between one organization and another.
2. Culture gives organizational members a sense of self-identity.
3. Culture encourages the creation of a commitment that is greater than self-interest.
4. Culture contributes to organizational unity by establishing acceptable norms for employees to adhere to.
5. Employee attitudes and behavior are guided and shaped by culture.

In relation to the social aspect, culture functions as a social glue that helps unite the organization by providing appropriate standards for what employees should say and do. Ultimately, culture functions as a meaning-making and control mechanism that guides and shapes employee attitudes and behavior.

**The Effect of Giving Rewards**

The term reward is a word that comes from English which means reward or prize. A reward is something we give to someone because they have done something for us. This is intended as appreciation, a way of saying thank you and our attention to them (Astika, 2024).

According to Sudarmo and Sudita (1998), "Rewards are gifts, rewards and recognition for something that is profitable for the company." Behavioral science has divided rewards into two large categories, namely intrinsic rewards and extrinsic rewards. This is important to do because the aim of providing rewards is basically to motivate organizational members, make existing workers feel at home, and attract quality people to the organization. According to Mulyadi (2001) the reward and recognition system for employee performance is a means of directing employee behavior to behavior that is appreciated and recognized by the organization.
Rewards attract employees' attention and provide information or remind them of the importance of the thing being rewarded compared to others. Rewards also increase employee motivation towards performance measures, thereby helping employees allocate their time and effort. Performance-based rewards encourage employees to change their enthusiasm for fulfilling their own interests into enthusiasm for fulfilling organizational goals (Nugraha & Pekanbaru, nd). Thus, rewards are all forms of return, both financial and non-financial, that employees receive because of the services they provide to the company. Rewards can be financial, namely in the form of salaries, wages, bonuses, commissions, employee insurance, employee social assistance, allowances, holidays or leave but still paid, and so on. Non-financial rewards such as interesting assignments, task challenges, task responsibilities, opportunities for promotion, recognition, etc.

Merchant in Lako (2004) states that rewards can provide two types of control benefits, namely informational and motivational. Informational means that giving rewards is intended to attract the attention of employees and remind them of the importance of the results obtained from the areas of business they carry out, such as costs, quality, customer service, asset management and future growth. According to Mulyadi (2001) a performance-based reward system is an important control tool used by companies to motivate personnel to achieve company goals with behavior in accordance with company expectations. Implementation of a performance-based reward system is carried out through four steps, namely: (1) Determining assumptions about the business environment being entered (2) Determining the determining factors for the company's success (3) Determining performance measures based on the company's success factors (4) Determining a performance-based reward system.

By giving rewards that have been determined by the organization, how a person is supported in facing work will see the impact of giving rewards to someone in accordance with those determined by the organization, and how the impact of giving rewards that have been determined by the organization, strengthens or weakens the relationship with performance. According to Mathis and Jackson (2002) rewards can be intrinsic (internal) or extrinsic (external). Meanwhile, Rananauskas-Marconi in Lako (2004) states that management rewards given to employees can generally be grouped into two categories, namely: intrinsic rewards and extrinsic rewards.

**Intrinsic rewards** are awards given in the form of job enrichment, giving responsibility, participation in decision making and other efforts to increase employee confidence and encourage them to excel. Meanwhile, extrinsic rewards are awards given to employees in the form of direct compensation, indirect compensation and nonfinancial rewards.

**Direct compensation** is compensation given in the form of salaries and wages, overtime and holiday allowances, profit sharing, stock options, and bonuses based on
each individual’s performance. *Indirect compensation* is compensation given in the form of fringe benefits such as insurance, pensions, health funds, and others. Meanwhile, non-financial rewards are awards given in the form of additional facilities such as housing, preferred office facilities, special parking, a proud title or position, and having your own secretary (Lina, 2014).

According to Mahmudi (2015) in (Adityarini, 2022) reward indicators include the following:

1. **Salary and Bonuses**

   Salary is a very important reward component for salaried employees, in this case it includes basic salary and additional financial compensation in the form of bonuses and shares (stock options or stock grants). Rewards for high performance can be given in the form of salary increases, bonuses or shares. The salary package offered as a reward includes the following components:
   a. Increase in basic salary
   b. Additional honorarium
   c. Short term incentives
   d. Long term incentives.

2. **Well-being**

   Welfare can be measured in value. Various employee welfare programs are offered by organizations as a form of reward for work presentations, for example:
   a. Allowance. Includes position allowance, structural allowance, health allowance, child education allowance, family allowance and old age allowance.
   b. Work facilities. For example, official vehicles and private drivers.
   c. Spiritual well-being, For example recreation, holidays, worship packages and so on.

3. **Career development**

   Career development is a prospect for future performance. This career development is important for employees who have satisfactory work performance so that the employee’s value is higher so that they are able to provide even better performance in the future. Career development provides opportunities for high-achieving employees to learn and increase their knowledge. His skills and expertise. Providing rewards through career development can take the form of:
   a. Assignment for further studies.
   b. Assignment to take part in a course training program, workshops, seminars, seminars and so on.
   c. Assignment for internship or comparative study.
4. Psychological and social rewards

Psychological and social rewards are more difficult to measure financially, but the value of these rewards is important for employees. Some of these psychological and social rewards include:

a. Job promotion
b. Reposal
c. Increased responsibility
d. Providing wider autonomy
e. Better work location placement
f. Confession
g. Praise.

Performance Supporting Factors

According to Hasibuan (2005) performance is a combination of three important factors namely a person's ability and interest in working, ability and acceptance of explanation of task delegation and roles as well as the level of motivation of a worker. The more The higher the three factors above, the greater the performance of the employee concerned. According to Dharma (2003) that performance is something that is done or done products/services produced and provided by a person or group of people. Mathis and Jackson (2002) argue that performance is basically what employees do or do not do. Employee performance influences how much they contribute to the organization includes: 1) quantity output, 2) output quality, (3) output period, (4) attendance at work, and (5) cooperative attitude.

The performance achieved by employees is very important in ensuring the survival of the organization. In achieving high performance there are several factors that influence whether employee performance is high or low. Factors that influence the achievement of good performance, according to Mathis and Jackson (2002), include: "Ability, motivation, support received, the existence of the work they do and their relationship with the organization." According to Mangkunegara (2000) the factors that influence performance are:

1) Motivational factors are formed from an employee's attitude in facing work situations. Motivation is a condition in which employees move themselves towards achieving organizational goals.

2) Ability factor (ability), consisting of potential ability (IQ) and reality ability (Knowledge + skills). This means that employees who have an IQ above average (IQ 110-120) with adequate education for their position and are skilled in carrying out daily work will find it easier to achieve the expected performance. Therefore, employees need to be placed in jobs that suit their skills (Izmi Maghfira and Asrizal Efendi, 2022).
Timple in Mangkunegara (2000) states that performance factors consist of internal and external factors. An employee's performance is influenced by the individual (internal) and factors that exist in the employee's work environment (external factors). Optimal performance is not only driven by a person's motivation and adequate level of ability, by the opportunities provided, and by a conducive environment. Even though an individual is willing and able, there may be obstacles that become obstacles.

According to Wirawan, there are 3 factors that influence an employee's performance, including the following:

1. Internal organizational environmental factors, in carrying out their duties employees need the support of the organization where they work. This support greatly influences the high and low performance of employees. On the other hand, if the compensation system and organizational work climate are poor, employee performance will decrease. Other internal organizational environmental factors include organizational strategy, resource support needed to carry out work, as well as management and compensation systems. Therefore, organizational management must create a conducive internal organizational environment that supports and increases employee productivity.

2. Organizational external environmental factors are circumstances, events, or situations that occur in the organization's external environment that influence employee performance. For example, the economic and financial crisis that occurred in Indonesia in 1997 increased inflation, reduced the nominal value of employee wages and salaries and subsequently reduced employee purchasing power.

3. Internal employee factors, namely factors from within the employee which are innate factors from birth and factors acquired as he develops (Subariyanti, 2017).

According to Armstrong and Baron (2000), the four factors that influence performance are: 1) personal factors, including individual skills, competence, motivation and commitment, 2) leadership factors, namely the quality of the motivation, guidance and encouragement provided by the leadership, 3) work system factors and facilities provided by the organization, and 4) situational factors, including changes and emphasis from internal and external factors.

Based on the theories that have been put forward above, the author finally concludes that the factors that influence individual performance in an organization can originate from the environment (including the organization) as well as factors originating from within the employee himself. Environmental factors are factors related to the organization, such as leadership support, work environment. Perceived organizational support, compensation, communication, organizational culture, job performance assessment and so on. Meanwhile, factors originating from the employee himself (individual) are those related to the employee's character, behavior and
personal qualifications which are implemented in the form of job satisfaction, motivation, organizational commitment, loyalty, work discipline, and so on (Kamijan, 2021).

Improving employee performance in a company is very important to do because employee performance is one of the internal factors determining whether this business will run well and can achieve its business goals. If employee performance is not managed with a good strategy then the company will not run, which will cause the company's goals were not achieved. There are several ways to improve employee performance, namely as follows:

1. Motivation. Determination, perseverance and even work enthusiasm are certainly greatly influenced by the motivation that is built up within him. Before starting the performance improvement process, it makes sense to first encourage employee motivation. When employees are more motivated to work, it can automatically instill enthusiasm and optimism in them to work harder and contribute to the company.

2. Rewards. There is not a single worker in this world who does not like to be paid for his work. Bonuses are monetary rewards paid to employees when they consistently achieve results that exceed specified goals. Therefore, don't forget to provide bonuses or awards to improve employee performance.

3. Professional or personal closeness. It's not about closeness between employees and managers of different genders, but about closeness that encourages a sense of togetherness and solidarity within a company.

4. Education. Believe it or not, the level of education also influences a person's performance. So, if you want employees to excel, the training factor must also be considered.

5. Facilities and infrastructure. Company facilities and infrastructure also influence employee performance.

6. Work atmosphere. Another minor factor that influences efficiency is the work atmosphere. Of course, no one is ready to do anything great anymore if the working conditions are unpleasant, uncomfortable and unprofitable. It is true that some people choose to work in places like that, but in terms of performance and results obtained, it is certainly very different from a very nice, comfortable, quiet and cheap workplace (Hilgers & Faddila, 2023).

Reward Benefits

In the management concept, rewards are a tool to increase employee performance motivation. This method can associate a person's actions and behavior with feelings of happiness, enjoyment and will usually make them do a good deed repeatedly. Rewards also aim to make someone become more active in trying to improve or improve the achievements they have achieved. Humans always have goals, hopes and desires. This
is what the reward method takes advantage of. With this method, someone who does good deeds or achieves a certain achievement will be given an attractive reward as a reward.

Rewards are an educational tool that is easy to implement and really pleases employees. For this reason, rewards in a work process are very necessary as motivation to improve employee performance. The purpose of giving rewards to employees is so that employees become more active in their work to improve or enhance the work performance they have achieved, in other words employees become more determined to improve their performance. Rewards are positive assessments of employees. Every individual or group that has high performance needs to be rewarded.

According to Handoko, there are several reward functions, as follows:
1) Strengthen motivation to push yourself to achieve achievements.
2) Gives a sign for someone who has more abilities.
3) It is universal (Adityarini, 2022).

According to Taylor, the purpose of reward is as follows:
1) Attract (stimulate) someone to want to join the company.
2) Maintaining existing employees so they want to continue working at the company.
3) Provide more encouragement so that employees continue to excel. To achieve company goals in accordance with expectations, the reward function must be carried out before deviations occur so that they are more preventative compared to reward actions that occur after deviations occur. Therefore, the purpose of rewards is to ensure that the results of implementing activities are in accordance with the plan, the provisions and instructions that have been set are actually implemented, because good rewards will create reward goals (Saleh & Mardiana, 2021).

Performance Inhibiting Factors

Stress is one of the factors inhibiting employee performance. Stress is a dynamic condition in which an individual is confronted with an opportunity. Including constraints or demands that are related to what he really wants and what he produces, is perceived as uncertain and important. Another inhibiting factor in employee performance is the pressure felt by employees caused by organizational factors. In its development, there are several organizational factors that can positively cause stress at the work level. These include conflict, competition, workload, work situation, leadership style and organizational structure. Stress on employees can also have an impact on employee performance. If the burden felt by employees is too heavy, employees will experience obstacles in thinking and health problems. Stress that is experienced by employees for too long will be a loss for the company. Stress that is too long will cause employees to want to leave the company, this is one of the losses that can arise. There are times when employee turnover can have a positive impact, but
there will be more losses. Stress is a normal condition because it is formed in humans as a response and is part of everyday life with busyness and increasing workloads. Stress can be described as feelings of tension, anxiety, or worry (Sulastri and Onsardi, 2020).

Factors inhibiting performance apart from sources of error in performance appraisals, there are also factors that inhibit organizational performance, factors inhibiting organizational performance, defined by Veithzal Rivai (2003) as factors that can inhibit performance, in this case Veithzal defines them as 3 (three) main groups, namely:

1) “Legal/legal obstacles. Performance appraisals must be free from unauthorized or illegal discrimination. Whatever performance appraisal format is used by the HR department, it must be valid and trustworthy. If these are not met, decisions and placements may be challenged as violating employment or other laws. Improper decisions may result in cases of dismissal due to negligence.

2) Bias by raters (supervisors). Any problem based on subjective measures is an opportunity for bias. The forms of bias that generally occur are:
   a) The halo effect occurs when the assessor's personal opinion influences the measurement of good performance in a positive sense and bad performance in a negative sense.
   b) Errors tend to be concentrated. Some appraisers do not like to put employees in extreme positions in the sense that there are employees who are rated very positively and those who are rated very negatively.
   c) Bias is too soft and too hard. Too soft bias occurs when appraisers tend to be too easy in evaluating employee performance.

3) Reduce assessment bias. Appraisal bias can be reduced through clearly stated appraisal standards, training, feedback, and the selection of appropriate performance appraisal techniques.”

Performance inhibiting factors according to Veithzal Rivai above, consist of three groups, first, must be free from discrimination and carried out by the appropriate institution, second, performance assessment must be carried out in accordance with what happens, assessment must be in accordance with what happens in the field, so it is related with the third, the assessment must be carried out transparently (Erlianti & Fajrin, 2021).

CONCLUSION

Rewards in a work process very needed its existence as motivation to improve employee performance. Meaning from giving rewards to employee is for employees become more enterprising Again it works For repair or heighten performance work that has been done achieved, in other words employees become more hard his will For increase its performance. Performance is results Work in a way quality And quantity
achieved by a employee in carry out his task in accordance with responsibilities given. Performance on basically is What is being done or No done by employee.

Influencing factors performance There is two namely: the first is factor motivation, formed from a person's attitude employee in face situation work, and secondly is factor Ability (ability), consisting of from ability potential (IQ) and reality abilities (Knowledge + skills). As for a number of method For increase performance from employee that is motivation, reward, closeness in a way professional or personal, education, facilities And infrastructure, and Also atmosphere Work. Whereas stress is Wrong One factor inhibitor performance employee. Stress is something condition the dynamics within a individual confronted with something opportunity.

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