

## **The Effect of Awards and Work Spirit on The Performance of Employees PT. Candi Baru Sugar Factory, Sidoarjo**

<sup>1</sup>Emmywati, <sup>2</sup>Mohammad Ali Masyhuri, <sup>3</sup>Hasan Abdillah, <sup>4</sup>Sutinem, <sup>5</sup>Sri Lestari,

<sup>1,2,4,5</sup> STIE Mahardhika

<sup>3</sup> Untag Banyuwangi

<sup>1</sup>emmywati@stiemahardhika.ac.id, <sup>2</sup>mohammad.ali@stiemahardhika.ac.id,

<sup>3</sup>hasan.abdillah@untag-banyuwangi.ac.id, <sup>4</sup>sutinem@stiemahardhika.ac.id,

<sup>5</sup>sri.lestari@stiemahardhika.ac.id,

### **Abstract**

*Management is the science and art that regulates the process of utilizing human resources effectively and efficiently to achieve the desired goals. Quality is not only smart, but can meet all the qualitative requirements that the job requires, so that the work can be completed according to plan This research carried out to improve the quality of human resources through appreciation and work enthusiasm at PT. Candi Baru Sugar Factory, Sidoarjo. This research was conducted on 60 employees using questionnaires and SPSS data processing (quantitative research method). The results of this research that has been done, and it shows that appreciation and morale partially and simultaneously have a positive effect on employee performance (Adjusted R Square shows a value of 0.837 or 83.7%), while morale is the dominant factor.*

**Keywords** : awards, work of spirit, performance

### **1. INTRODUCTION**

Management is the science and art that regulates the process of utilizing human resources effectively and efficiently to achieve the desired goals. Human resource needs to be developed continuously in order to obtain human resource quality in the real sense, i.e the work carried out will produce something that is as expected. Quality is not only smart, but can meet all the qualitative requirements that the job requires, so that the work can be completed according to plan. An employee can achieve satisfactory results at work, depending on the ability, skills and enthusiasm to continue to improve the quality of their performance. The importance of giving awards to employees up to now is still not a priority for the company. Whereas giving awards / awards is not only to keep employees from turnover, but also to motivate employees to work better. The company rewards employees by aiming to encourage employees to have more positive attitudes and behaviors at work and improve their performance. No less important is the enthusiasm of employees to be able to maintain work and employee loyalty and there is no high turnover (Romli, 2019).

Referring to research conducted by Aldila Saga Prabu in 2016 on "The Effect of Awards and Motivation on Employee Performance (Study in the Sales Division of PT. United Motors Center, Suzuki Ahmad Yani, Surabaya)". The results show that there is a positive and significant influence of the variable appreciation and motivation on the sales performance employees of PT. Suzuki Yani Suzuki Motor Union Center, Surabaya. This means that there are similarities in the variables of research to be conducted with different research objects. Based on this, the researcher wants to use Saga research as a supporter of the research to be conducted.

Furthermore, there was also a previous research conducted by Authors: Harrasi Muslem Salim Mohammed Matar with the research title *الأداء لرفع التنظيمي المناخ أثر* 2020. *فية الحكومة المؤسسات في الإداريين القادة لدى الوظيفي*. The study adopted and adapted the theories of anticipation (Vroom, 1964) and creativity (Aiken 1997). Therefore to achieve the best anticipated occupational performance in return for incentives, promotions, qualifications, training and obtaining a successful leadership style. The study utilized the quantitative descriptive approach to achieve its objectives. And to achieve these objectives and results. A questionnaire was constructed for data collection, where a stratified sample of 280 respondents were obtained. The data were processed using multiple regression analysis, as well as exploratory and confirmatory factor analysis. Based on Harrasi research, the research that will be conducted will also use the same research method.

The problem that the writer examined was about how the influence of appreciation and enthusiasm for the performance of employees of PT. Candi Baru Sugar Factory, Sidoarjo. By doing this research it is expected to provide direction and problem solving of existing problems. By doing this research it is also expected to be of benefit to readers, especially for companies.

## 2. LITERATURE REVIEW

According to Bangun, quoted by Sutrisno (2016: 6) "human resource management is a process of organizing, mobilizing, developing, planning, giving compensation, integrating, maintaining and separating the workforce to achieve organizational goals". Meanwhile according to Emmywati (2017: 20) Human resource planning steps taken by management to ensure the organization is available the right workforce in occupying various positions, positions and jobs, at the right time to achieve the goals set.

According to Pitts (in Edirisooriya 2014: 313) awards are benefits arising from carrying out duties, carrying out services, or taking responsibility. Chin-Ju (in Sajuyigbe, Bosedé & Adeyami 2013: 28) states that awards can be in the form of money, attention and praise or a combination of the two. Group performance related to a group or team of employee award schemes with cash payments to achieve agreed targets. While Huselid (in Sajuyigbe et al 2013: 28) views appreciation as a system that contributes to performance by linking the interests of employees to those from the team and organization, thereby increasing business and performance. According to Kadarisman (2013: 122), indicators of awards (awards) are as follows, namely salaries, incentives, benefits, interpersonal awards, promotions.

Spirit of work is an important thing possessed by workers. According to Hasibuan in Asnawi (2016: 94) states "The desire and sincerity of someone to do their work properly and be disciplined to achieve maximum work performance". The characteristics of high employee morale according to Carlaw, Deming, and Friedman, states that the characteristics of high employee morale are as follows:

- a) Smile and laugh. Smiles and laughter reflect the happiness of the individual at work. Even though the individual does not show his smile and laughter, but in him the individual feels calm and comfortable working and enjoys the tasks he performs.
- b) Have the initiative. Individuals who have high morale will have the will to work without supervision and without orders from superiors.
- c) Thinking creatively and broadly. Individuals have new ideas, and have no obstacles to channel their ideas in completing tasks.

- d) Enjoying what is being done Individuals are more focused on work than showing disturbances while doing work.
- e) Interested in their work. Individuals take an interest in work because it suits their expertise and desires.
- f) Responsible Individuals are serious in doing work.
- g) Having the willingness to work together. Individuals have the willingness to cooperate with other individuals to facilitate or maintain the quality of work.
- h) Interacting with superiors. Individuals interact with superiors comfortably without fear and pressure.

Generally there are no distinctions between performance, work performance or work results, so in providing concepts of performance, work performance or work results, experts often use it as they wish without differentiating at all. For this reason, in this writing the concepts of performance, work performance or work results are not distinguished and can be used interchangeably by providing the same definition.

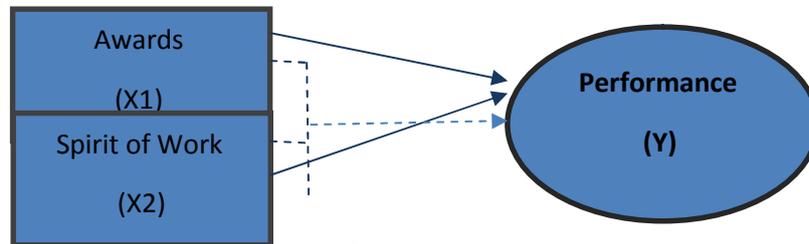
Regarding the importance of performance stated by Steers (2013: 34) who revealed that when organizational problems are analyzed from an individual's perspective, it is clear how important good performance is. Without good performance at all levels of the organization, the achievement of goals and organizational success becomes difficult and even impossible. Siagian (2016: 25) revealed that the high quality of work will in turn give birth to appreciation and progress not only in achieving personal goals and the members of the organization concerned.

Why does the individual's performance need to be known by the leader? Accurate identification of the causes of one's performance is the fundamental to good supervision and more effective decision making in performance improvement strategies. Factors that affect performance are internal and external. From internal sources is the ability and effort while from external sources such as low tasks, good fortune or good economy or also because it is one of the main elements that need to be considered for improving employee performance is the support of the leadership.

To find out the performance of employees treated special activities that include two things, first, identify the performance dimensions that include all elements that will be evaluated in the work. Furthermore Bernandin and Russell (2013: 90) proposed six primary criteria that can be used to measure performance, namely :

- a) Quality, related to the results of the implementation of activities that are nearing perfection or approaching expected goals.
- b) Quantity, related to the amount produced, can be measured by the unit, the rupiah, or the cycle of activities completed.
- c) Timeliness, by showing the conditions of other outputs and the time available for other activities.
- d) Cost effectiveness, the extent to which the use of organizational resources (human, financial, material technology) is maximized to achieve the highest results or reduce losses from each unit of resource use.
- e) Need for supervision, the extent to which an employee can carry out work functions without requiring the supervision of a supervisor to prevent actions that are less desirable for the organization.
- f) International impact, is the degree to which an employee maintains self-esteem, good name and cooperation with colleagues and subordinates.

This research will look for the effect of appreciation and enthusiasm on the performance of employees of PT. Candi Baru Sugar Factory, Sidoarjo. For this purpose, the conceptual framework of the study is shown in the following figure.



**Figure 1. Conceptual Framework**

Note :

- ▶ = partial relationship
- - - - -▶ = simultan relationship

Based on the Conceptual Framework above, the hypotheses proposed in this study are:

- H1: Awards have a significant effect on the performance of employees at PT. Candi Baru Sugar Factory, Sidoarjo.
- H2: Work spirit has a significant effect on the performance of employees at PT. Candi Baru Sugar Factory, Sidoarjo
- H3: Appreciation and morale have a significant effect on the performance of employees at PT. Candi Baru Sugar Factory, Sidoarjo.
- H4: Appreciation and morale have a significant effect on the performance of employees at PT. Candi Baru Sugar Factory, Sidoarjo.

### 3. RESEARCH METHODS

Quantitative methods are data analysis using mathematical models. Where the final goal to be achieved in carrying out using a quantitative approach according to Sugiyono (2013: 12), In the research the writer will do, the population is all employees of PT. Candi Baru Sugar Factory, Sidoarjo of 60 people. then the large sample to be taken in this study is if the population is less than 100, it is better for all the population to be sampled. Data collection techniques used in this study include: Observations, questionnaires, all variables both independent and bound variables have been detailed and for measurement can be measured with a Likert Scale with a weighting of values 1 to 4, and literature as a support. In this study using primary data in the form of a questionnaire while secondary data in the form of literature studies and documents needed. To support the regression analysis, it is necessary to do a validity and reliability test (Siregar, 2016).

After that, the multiple linear regression equation is determined as follows:

$$Y = a + b_1 X_1 + b_2 X_2$$

This coefficient of determination test aims to determine the percentage of total variation in the dependent variable used by the independent variable. The coefficient of determination (R square) can be used to predict how much the contribution of the

influence of the independent variable (X) to the related variable (Y). Then the t test and the F test were carried out. Analysis of the data in this study will use SPSS 21 software tools (Noor, 2017).

#### 4. RESULTS AND DISCUSSION

We will present based on the results of research that has been conducted to 60 respondents, with a series of analysis activities in the form of statistical tests that will show the results of this study (Ramli, 2011). The first step is to test the data by means of a validity test on each indicator outlined in the form of a questionnaire. The results show that all indicators are valid and can be shown in the table below:

**Table 1. Validity of indicators for each variable**

indicator	validity value
X1.1	0,727
X1.2	0,623
X1.3	0,650
X1.4	0,887
X1.5	0,827
X2.1	0,547
X2.2	0,635
X2.3	0,561
X2.4	0,487
X2.5	0,651
X2.6	0,538
X2.7	0,704
X2.8	0,735
Y1.1	0,699
Y1.2	0,621
Y1.3	0,507
Y1.4	0,565
Y1.5	0,706
Y1.6	0,678

Source : data processing 2020

Furthermore, the reliability test was carried out using the Cronbach Alpha value which was shown in the three variables with a value above 0.6 which means that all variables are reliable, so that the normality test can be done.

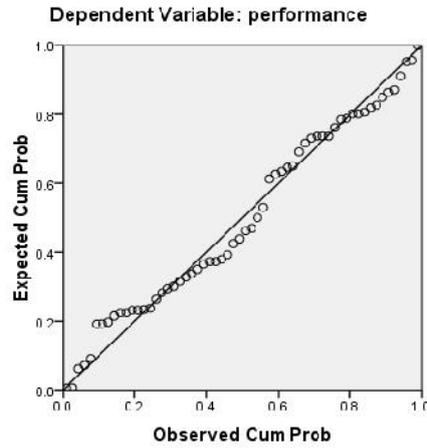
**Table 2. variable reliability**

variable	Reliability value (Alpha Cronbach)
awards	0,787
Spirit of work	0,743
performance	0,751

Source : data processing 2020

The graph below shows the normality in the resulting data, because the data sprinkles are on a diagonal line, so that classical assumption tests can be carried out (heteroscedasticity test and multicollinearity test).

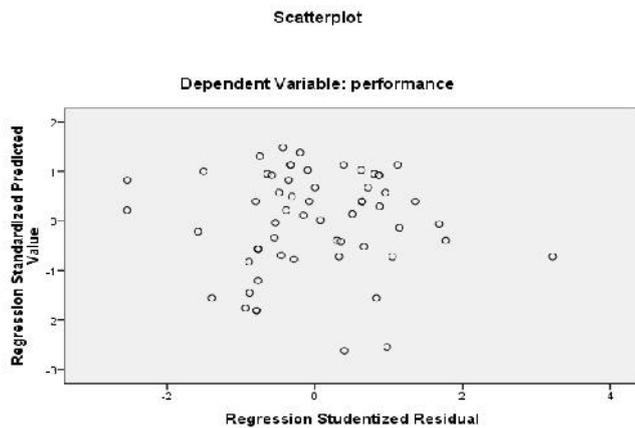
Normal P-P Plot of Regression Standardized Residual



Source : data processing 2020

**Figure 1. Normality Graph**

The Heteroscedasticity test shows that the multiple regression model has an inequality of variance from the residuals of one observation to another, so that in the Scatterplot image the questionnaire results show that they are free from heteroscedasticity.



Source: data processing 2020

**Figure 2. Heteroscedasticity**

**Table 3. Partial Variables**

**Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Correlations			Collinearity Statistics	
	B	Std. Error	Beta			Zero-order	Partial	Part	Tolerance	VIF
1 (Constant)	-.328	.896		-.366	.716					
awards	.324	.080	.282	4.037	.000	.748	.472	.212	.565	1.768
spirit of work	.567	.056	.707	10.106	.000	.893	.801	.531	.565	1.768

a. Dependent Variable: performance  
 Source : data processing 2020

The reward variable and work morale variable of 1.768 all have a Variance Inflation Factor (VIF) value of less than 10 so it can be said that the questionnaire results are free from multicollinearity.

**Tabel 4. Simultan variable**

**Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.918 <sup>a</sup>	.842	.837	1.407	.842	152.292	2	57	.000	1.829

a. Predictors: (Constant), spirit of work, awards  
 b. Dependent Variable: performance  
 Source : data processing 2020

The results of the multiple linear regression analysis mentioned above can be stated in accordance with the analysis of the regression equation model as follows :

$$Y = (- 0,328) + 0,324 X1 + 0,567 X2$$

Furthermore, the meaning of the linear equation above is The value of the constant coefficient (a) shown is (-0.328) this means that if the award (X1) and morale (X2) all have a value of 0 units, the performance will decrease by 0.328 units. The regression coefficient (b1) shown in the linear equation of (0.324) is a positive relationship, if the reward (X1) is increased by 1 unit, the performance (Y) will increase by 0.324 units, assuming the value of the morale variable (X2) fixed or zero. Likewise, if the reward (X1) is decreased by 1 unit, the performance (Y) will decrease by 0.324 units, assuming the value of the morale variable (X2) is fixed or zero. The value of the regression coefficient (b2) shown in the linear equation is 0.567, which is a positive relationship if the morale (X2) is increased by 1 unit, the performance (Y) will increase by 0.567 units, assuming the value of the variable reward (X1) is fixed or zero.

From the multiple linear regression equation and the description above, it can be seen that the variable rewards (X1) and morale (X3) have a positive influence on the performance of the employees of PT. Candi Baru Sugar Factory, Sidoarjo. This positive effect indicates that the employee performance variable will change with the change in the independent variables, namely appreciation and morale.

The value of Adjusted R Square shows a value of 0.837 or 83.7%, which means that the independent variables in this study, namely appreciation and morale, are able to explain the dependent variable (performance) or are explained by other variables not included in this research model.

The independent variable which has a dominant influence in the multiple linear regression equation on the employee performance variable at PT. Candi Baru Sugar Factory, Sidoarjo is a work morale variable, because the value of the work morale variable is greater than the value of the reward variable.

## **5. CONCLUSION**

Research that has been conducted on 60 employees of PT. Candi Baru Sugar Factory, Sidoarjo shows that there is a positive and significant impact on employee performance and appreciation and morale partially and simultaneously (0.837 or 83.7%). Morale has a dominant effect on performance. So it can be considered that the appreciation of the performance of the employees of PT. The Candi Baru Sugar Factory, Sidoarjo, is capable of supporting the productivity of the Candi Baru sugar factory. When an appreciation that is commensurate with performance is given to employees, automatically morale also shows good value.

A good performance is able to produce the effect of increasing the productivity of the Candi Baru sugar factory, Sidoarjo. The institution will obtain employee performance improvement through a variety of efforts, for example through related training to improve employees' abilities in their work. Scheduled training activities are one of the efforts that the management of the Candi Baru sugar factory should provide for all its employees. The types of training that the institutions are striving for will generally be provided by institutions or consultant partners appointed or in collaboration with sugar factory institutions.

The research conducted shows significant results, this shows that employees as dynamic resources have the potential to continue to improve their quality with the latest trainings because technology continues to develop. The development of technology makes an activity / work process easier than before. When a process becomes easier than the previous one, the results it produces are varied and felt by all sides of production, especially labor. For this reason, training activities or empowering human resources in order to improve the quality of capabilities and improve the performance of employees and institutions should be converted into mandatory needs for institutional development, in this case PT. Candi Baru Sugar Factory, Sidoarjo.

The stimulus given in the form of awards is also continuously given and even increased in all parts, not only in the production section. An award is given not only serves as a "trophy" for the success of an employee in completing a task well. Various things that are positive in nature that are produced by employees in carrying out their duties are things that must be rewarded, so that a positive work spirit for themselves and the work environment can be generated, improved and maintained. The important value of an award for positive and optimal performance is the sincerity of the leadership or central management, so that the value of the self-esteem of an employee's performance can

provide individual satisfaction in the hearts and minds of employees, as well as success with institutions (PT. Candi Baru Sugar Factory, Sidoarjo) is ultimately the ultimate goal of obtaining an award.

## 6. REFERENCES

- Aiken, Lewis R, 1997, *Personality Assessment method and Practices*, 3rd revised edition, Hogrefe and Huber Publisher, ISBN 0-88937-209-8
- Aldila Saga King. 2016. The Influence of Awards and Motivation on Employee Performance (Study in the Sales Division of PT United Motors Center Suzuki Ahmad Yani Sby), *Journal of Business, Economics and Entrepreneurship (JEBIK)*, Vol. 5, No. 2, P-ISSN : 2087-9954, E-ISSN : 2550-0066, Faculty of Economics and Business, Tanjungpura University
- Asnawi and Masyhuri. 2009. *Marketing Management Research Methodology*. Malang: UIN-Malang Press.
- Bernardin, H. J and Russell, J. E. A., 2013, *Human Resource Management*, Sixth Edition. New York: McGrawHill
- Edirisooriya, Waruni Ayesha. 2014. Impact of Rewards on Employee Performance: With Special Reference to ElectriCo., *Proceedings of the 3rd International Conference on Management and Economics*, February 2014. Oral Presentations. p. 311-318
- Emmywati. 2017. *Human Resource Management*. (Role of Human Resources), p. 20, Publisher : STIE Mahardhika Surabaya.
- Harrasi Muslem Salim Mohammed Matar, *الوظيفي الأداء لرفع التنظيمي المناخ أثر، القيادة لدى الوظيفي الأداء لرفع الحكومية المؤسسات في الإداريين القيادة لدى الداخنة عسافطة الداخنة محافظة وميةالحك المؤسسات في الإداريين*. Publisher 2020: Universiti Sains Islam Malaysia. URI: <http://ddms.usim.edu.my:80/jspui/handle/123456789/20177>.
- Kadarisman, M., 2014. *Compensation Management*. Jakarta: PT. RajaGrafindo. Homeland.
- Noor. Juliansyah, 2017. *Research Methodology: Thesis, Thesis, Dissertation, and Work. Scientific*. Jakarta: Golden.
- Ramli, K. 2011. *Measurement scales and research instruments*, Yogyakarta: Student Library.
- Romli, 2019, The Effect of Awarding on the Performance of Educators and Education Personnel at the Khairul Huda Foundation, Serang City, Banten, *Equilibrium journal, The Scientific Journal of Economics, Management and Accounting Vol. 8 No. 2*. DOI: <http://dx.doi.org/10.35906/je001.v8i2.376>.
- Sajuyigbe, A.S. et. Al., Olaoye Bossede, and Adeyemi M.A. 2013. Impact Of Reward On Employees Performance In A Selected Manufacturing Companies In Ibadan, Oyo State, Nigeria. *International Journal of Arts and Commerce Vol. 2 No. 2*.
- Siagian. Sondang P, 2016 *Human Resource Management*, Jakarta: Bumi. Script
- Sugiyono. 2013. *Business Research Methods. Quantitative, qualitative and combination, (MIXED METHOD)*. Alfabeta, Bandung.
- Siregar, Syofian. 2016. *Descriptive Statistics for Research*. Jakarta: PT Rajagrafindo Persada.
- Steers, Richard M, 2013, Terj: Magdalena Jamin, *Organizational Effectiveness*, Jakarta: Erlangga, 1980.
- Sutrisno, Edy, 2016, *Human Resource Management*, Jakarta: Kencana

Vroom, Victor H, 1964, *Work and Motivation*, New York, Wiley