

The Role of Rewards in Improving Employee Performance at Favehotel Malang

Teronius Lipus¹, Cakti Indra Gunawan², and Moch. Nurhidayat³

* Correspondence Author: cakti@unitri.ac.id

^{1,2,3} Management, Faculty of Economics, University of Tribhuwana Tunggaladewi, Malang

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ABSTRACT

The purpose of this study was to determine the influence of the role of rewards in improving employee performance at FaveHotel Malang and to determine the impact of rewards on employee performance at FaveHotel Malang. This type of research is descriptive qualitative, the instrument uses interview guidelines, the informants used are 3 people (1 HRD and 2 employees), and the data analysis technique uses descriptive analysis. The results of the study show that the impact of giving rewards to employees at FaveHotel Malang is work enthusiasm, increased work motivation, employees working on time, and increased work discipline. The form of rewards given by FaveHotel Malang to employees, such as salary increases according to the UMR of Malang City, provision of Eid Allowances (THR), job promotions, and provision of rewards as a form of appreciation that the company shows to employees for their work motivation for the company. By giving rewards to employees so that they produce a greater contribution to the success of operations at Fave Hotel Malang, employees are also more motivated to pursue various types of rewards given by the company to employees, therefore employees are more inclined to try to work well to get rewards

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INTRODUCTION

Human Resources (HR) plays a very important role in improving the progress of the company. Actions to improve the progress of the company by improving employee performance so that they can work well following their respective tasks so that they can achieve the goals desired by the company such as the success and progress of the company, therefore HR development is needed (Gunawan *et al*, 2024). Every time building human resources is not enough to provide training in the abilities of HR alone but can give work motivation such as with the rewards received so that employees can be responsible for the work done (Arifah *et al*, 2021). One of the actions to support increased performance and employee satisfaction is by providing rewards or prizes so that employees who receive these rewards or prizes will feel satisfied and enthusiastic about working which can improve performance (Avriyanti, 2024).

Reward plays an important role in improving employee performance so that they can work as well as possible, with the rewards given to employees at FaveHotel Malang it is hoped that it can improve the quality and attitude of responsibility towards the tasks given to them. HR in an organization or company usually holds control in the process of running the company's operational activities so that they can succeed according to the company's wishes (Gunawan *et al*, 2024). The most important main role in an organization or business is usually close to the human resources around the workplace. For employees to be more involved in carrying out their commitment to the company,

job satisfaction is very much needed at work. So, it makes sense that leaders can consider the expectations of giving rewards and work to their employees, including achieving organizational goals through good and optimal performance from the work they do. Employees who have high desires and commitments can encourage them to improve their performance in carrying out their duties while working (Scott *et al* , 2020 ; Arifin *et al.*, 2021 ; Makhanya and Jili, 2023 ; Elrayah and Semlali, 2023).

FaveHotel Malang is an organization engaged in the lodging service sector so it requires good service from employees. The way to improve service is by providing good and friendly service, fast response, and incentives, which can indirectly increase high work from employees, this is following the opinion of Gunawan *et al.* (2024) who stated that employees who have high performance can have an impact on employee work motivation. Therefore, the way to improve performance at FaveHotel Malang is by giving rewards to employees. The problem that occurs at FaveHotel Malang is the lack of rewards given to employees so the decline in good performance for employees can have an impact or influence on improving employee performance and the length of employee service in responding to customer complaints at Fave Hotel Malang.

The results of employee assessments of rewards studied by Victor and Hoole (2017) explain that the rewards given to each employee are not optimal so that further research is needed on the role of rewards in improving work. Several researchers have conducted studies on rewards, including the effect of rewards on employee performance. They were Omuya (2018), Noorazem *et al* (2021), Kolluru (2021), Ayi (2023), and also Injikuru *et al* (2024). From previous studies, there were still few who have studied rewards, from a productivity perspective, especially in hotels. This research aims to provide a lack of research so that it can contribute to the field of human resource management science, as well as described by Agustin and Nurhidayat (2020), and also Gunawan *et al* (2021).

LITERATURE REVIEW

Rewards received by employees at FaveHotel Malang include incentives for overtime work, health benefits, pension benefits, promotions, salary increases, and work support from the team. Research by Ogbugu (2017) and Hukubun *et al.* (2024) proves that the rewards received by employees can provide work motivation that supports employee performance. Rewards are a form of compensation for services given to employees and can be received by employees for the work done (Marasigan *et al*, 2019). Rewards are given as a form of appreciation for employee performance at FaveHotel Malang to create work enthusiasm so that they can work professionally. The indicators used to measure rewards for employees are incentives, welfare benefits, and career development (Salah, 2016).

RESEARCH METHODS

The implementation of this research was conducted at FaveHotel Malang. The address of this research is Raya Tlogomas Street. Number 25, Tlogomas, Lowokwaru, Malang City, East Java. This research was conducted using a qualitative descriptive research type. The data collection method used in the study is secondary data. Secondary data is data that comes from direct contact with several parties related to this writing through interviews, documentation and observation, as well as described by Khoa *et al* (2023). This study uses a type of data that cannot be measured with a numeric or number scale. The numeric scale is used to strengthen the validity of the data by collecting data from various sources, such as user interviews, direct observation, and document analysis (Deterding and Waters, 2021).

RESULTS AND DISCUSSION

The Role of Rewards in Improving Employee Performance at Favehotel Malang

The results of interviews with HRD staff at Favehotel Malang on December 2, 2024, can be concluded that giving rewards plays an important role in improving employee performance at Favehotel Malang. The form of reward given by Favehotel Malang to employees such as salary increases, provision of Eid Allowances (THR) once a year with a nominal amount of the salary received, and promotion for employees who excel and receive health benefits through BPJS Health. The salary received by employees is adjusted to the UMR of Malang City. Job promotions to employees such as from ordinary employee positions to division heads. Employees who get a promotion will get a position allowance so that they get a salary increase.

The rewards received by employees at Favehotel Malang such as employees getting a salary increase, Eid allowances, and health benefits. The results of this study proves that the existence of sufficient rewards can increase employee motivation and performance. Giving rewards is very important for employees to increase their enthusiasm in carrying out their work. Giving rewards is a form of responsibility of a company or organization that aims to provide work motivation for its employees so the company's goals can be achieved, so that employees can feel at home and happy to be around the place where they work because their work can be appreciated by the company.

The Impact of Rewards on Employee Performance at Favehotel Malang

On the other hand, the results of interviews with Favehotel Malang employees on December 6, 2024, showed that the impact of rewards on employees at Fave Hotel Malang was work enthusiasm, increased work motivation, working on time, and increased work discipline. Motivation and work enthusiasm are mental attitudes that encourage someone to work harder, be disciplined, and be responsible, high work enthusiasm can increase employee productivity and work performance. Work discipline is an attitude and behavior that obeys the regulations in the workplace. Employees who are disciplined in their work can help the company achieve its goals.

The benefits of giving incentives or rewards to employees are to create work enthusiasm so that they can work professionally. Research by Avriyanti (2024) states that incentives or rewards are a form of remuneration received by employees for the work done. Incentives and rewards given to employees are expected to motivate employees to be more active in carrying out and improving or increasing the quality of their work results. The considerations for superiors to give rewards to employees at FaveHotel Malang are good work quality, employees have high work motivation and employees comply with work regulations. With the existing research findings, this research can support Gunawan *et al* (2024) which states that employees who have high performance can have an impact on employee performance so that they can improve good service with the motivation given to employees in the form of incentives or rewards so that they can improve the high quality of work from employees.

The form of employee performance of Favehotel Malang such as increasing high work motivation so that they are never late for work, so it is unlikely to make mistakes in carrying out their duties, so it can be seen that the quality of employee work at FaveHotel Malang has good quality because they can complete work on time by complying with the company's Standar Operational Procedure, so that they can achieve the given target, by collaborating with colleagues, and employees never complain about the work done. Performance refers to the ability of employees to complete work well and on time to improve the progress of the company/organization. Employee

performance plays an important role in improving the progress of the company because employees are the benchmark in advancing the company/organization.

CONCLUSION

Based on the description that has been presented, it can be concluded that:

1. Giving rewards plays an important role in improving employee performance at Favehotel Malang. The form of reward given by Favehotel Malang to employees such as salary increases, Eid Allowances (THR) once a year with a nominal amount of salary received, and promotions for employees who excel and get health benefits through BPJS health.
2. The impact of giving rewards to employees at Fave Hotel Malang is work enthusiasm, increased work motivation, employees working on time, and increased work discipline. Motivation and work enthusiasm are one of a person's mental attitudes so that they can encourage employees to work harder, be disciplined, and be responsible, therefore good work motivation can increase employee productivity and work performance. By giving rewards to employees so that they produce a greater contribution to the success of operations at Fave Hotel Malang, employees are also more motivated to pursue various types of rewards given by the company to employees, therefore employees are more inclined to try to work well to get rewards.

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