THE IMPACT OF REWARD AND RECOGNITION ON EMPLOYEE ENGAGEMENT AT PT. BANK SULUTGO, MANADO.

ANALISIS DAMPAK DARI GAJI DAN PENGHARGAAN TERHADAP KETERLIBATAN KARYAWAN DI PT. BANK SULUTGO, MANADO.

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**ABSTRAK**

This study was conducted to examine the impact of the salary and respect for employee involvement. This research was specifically conducted in PT. BANK SULUTGO, Manado. The method used in this research is quantitative descriptive exploratory. The population in this study consisted of employees of PT. BANK SULUTGO. The results show the rewards and recognition can motivate the employee so they will work and provide more better performance so that it can provide more profits for the company.

**Keywords:** Reward, Recognition, Employee Engagement, System.

**ABSTRACT**

Penelitian ini dilakukan untuk meneliti dampak gaji dan penghargaan terhadap keterlibatan karyawan. Penelitian ini secara khusus dilakukan di PT. BANK SULUTGO, MANADO. Metode yang digunakan dalam penelitian ini adalah eksploratif deskriptif kuantitatif. Populasi dalam penelitian ini terdiri dari karyawan PT. BANK SULUTGO. Hasil penelitian menunjukkan bahwa gaji dan penghargaan dapat memotivasi pegawai sehingga dapat memotivasi mereka untuk bekerja dan memberikan performa yang lebih baik lagi sehingga bisa memberikan keuntungan lebih bagi perusahaan.

**Kata kunci:** Gaji, Penghargaan, Keterlibatan Karyawan, Sistem.
1. INTRODUCTION

Research Background

Nowadays, there is a lot of things that people might not know about how people act in organization, why they act as they do and what we can do to predict and manage their behaviour. Human Resources Management (HRM) and Organizational Behavior (OB) are the basic knowledge to achieve all those things. Nowadays it is important for organizations to be able to gain a sustainable competitive advantage through people and also to address an important employee concerns such as managing a diverse workplace, recognizing employee rights and adjusting to new work attitudes. We each have thousand of attitudes, but OB focuses our attention on a very limited number of work-related attitudes. These tap positive or negative evaluations that employees hold about aspect of their work environment. Employee engagement is one of the important aspects that related to this attitude.

One of the key values that matter is improving engagement with the company’s targeted audience, whether it be users, customers, employees and/or other stakeholders. To be effective for any given application, a significant amount of thought must be put into understanding what is necessary to engage and motivate individuals at a deep level. Rewards are a crucial piece in the engagement puzzle. With proper and thoughtful design, incentive and reward programs can be very effective in providing optimal motivations for driving engagement. That is, with the right selection and mix of rewards, and an effective system for delivering these rewards, employee not only become engaged, but are also retained and become valuable evangelists for the company. Rewards have much impact on employees, which increase the level of job performance and job satisfaction. Many studies are conducted in the past to check the impact of rewards. Most of the organizations implement rewards system to increase the job satisfaction.

The major goal of an organization's reward system is to keep its employees motivated so that they continually perform better at their tasks. The theories of motivation by various experts such as Herzberg and Maslow state one thing synonymously: The physiological and psychological needs and desires of employees must be met and maintained to keep them motivated.

Research Objectives

Based on the research problems, the objectives of this research are:
1. To know the influence of reward and recognition to employee engagement at PT. Bank Sulutgo, Manado, simultaneously.
2. To know the influence of reward to employee engagement at PT. Bank Sulutgo, Manado, partially.
3. To know the influence of recognition to employee engagement at PT. Bank Sulutgo, Manado, partially.

Theoretical Framework

Reward

According to Oxford Dictionary, reward definition is “A thing given in recognition of service, effort, or achievement”. Rewards serve many purposes in organizations. They serve to build a better employment deal, hold on to good employees and to reduce turnover. There are two kinds of Rewards: Extrinsic rewards: concrete rewards that employee receives. Such as: Bonuses, Salary Rise, Gifts and Promotion.Intrinsic Rewards: tend to give personal satisfaction to individual. Such as: Information / feedback, Recognition, Trust/empowerment.
Recognition

Recognition is a process of giving an employee a certain status within an organization. This is a very crucial factor towards an employee motivation and job satisfaction. Employee’s participation in the decision making process will made them more courageous and enthusiastic towards working in the organization. Maslach et al. (2001) have also suggested that while a lack of rewards and recognition can lead to burnout, appropriate recognition and reward is important for engagement.

Employee Engagement

Robinson et al. (2004) define employee engagement as, “A positive attitude held by the employee towards the organization and its value. An engaged employee is aware of business context, and works with colleagues to improve performance within the job for the benefit of the organization. The organization must work to develop and nurture engagement, which requires a two-way relationship between employer and employee.” Perrin’s Global Workforce Study (2003) uses the definition “employees’ willingness and ability to help their company succeed, largely by providing discretionary effort on a sustainable basis.” According to the study, engagement is affected by many factors which involve both emotional and rational factors relating to work and the overall work experience.

Previous Research

Danish Rizwan Qaiser and Usman Ali (2010) discussed about the impact of reward and recognition on job satisfaction and motivation: an empirical study from Pakistan, trying to determine the correlation between reward and recognition on job satisfaction and motivation. They revealed that the statistical analysis showed that different dimensions of work motivation and satisfaction are significantly correlated, and reward and recognition have great impact on motivation of the employees.

Padmakumar Ram and Prabhakar Gantasala (2011) discussed about Effect of Reward on Employee Performance: A Case of Kenya Power and Lighting, the research result has proved that rewards have been known to have a positive effect on employee performance. But for cash bonuses had no significant effect on employee performance.

Abraham Susan (2012) this research discussed about development of employee engagement programme on the basis of employee satisfaction. The research has proved that Employee satisfaction is key to employee engagement. Engaged employees perform exceptionally well in their job.

Sundaray Bijaya Kumar (2011) discussed about engagement: A Driver of Organizational Effectiveness. The research has been observed that organizations with higher levels of employee engagement outperform their competitors in terms of profitability.

Fareed Zeeshan, Abidan Zain Ul, Shahzad Farrukh, Umm-e-Amen, and Lodhi Rab Nawaz (2013), discussed about the impact of rewards on employee’s job performance and job satisfaction, they revealed that there is positive relationship between rewards (extrinsic and intrinsic) and employee’s job performance and job satisfaction.
Conceptual Framework

![Conceptual Framework Diagram]

**Figure 1. Conceptual Framework**
*Source: Literature reviews, 2015*

**Hypothesis Research**

- $H_1 =$ reward and recognition have influences to employee engagement at PT. Bank Sulutgo, Manado, simultaneously.
- $H_2 =$ reward has influence to employee engagement at PT. Bank Sulutgo, Manado, partially.
- $H_3 =$ recognition has influence to employee engagement at PT. Bank Sulutgo, Manado, partially.

**2. RESEARCH METHOD**

**Type of Research**

This research is using causal type of research where it is designed to determine whether one or more variables (e.g., a program or treatment variable) causes or affects one or more outcome variables. In this research will investigate the impact of reward and recognition on employee engagement at PT. Bank Sulutgo, Manado.

**Time and Place of Research**

This research conducted in Manado to PT. Bank Sulutgo from July to August 2015.

**Population and Sample**

The target population is the group or the individuals to whom the survey applies. In other words, you seek those groups or individuals who are in a position to answer the questions and to whom the results of the survey apply. Ideally, a target population should be represented as a finite list of all its members (Kitchenham and Pfleeger, 2002). The population that is mainly observed in this research are the employees in PT. Bank Sulutgo, Manado. The sample is described thoroughly in terms of clinical and demographic characteristics in the methods section of a research article so that others can draw conclusions, apply the results, and compare one investigation with another. It is not the target population, but rather a group of patients or individuals who are actually studied (Kazerooni, 2001).

**Data Collection Method**

1. According to Driscoll (2011): “Primary data is particularly useful when you want to learn about a problem that does not have a wealth of published information. In this research the questionnaire distributed to employee permanent of PT. Bank Sulutgo, Manado.
2. According to Hinds et al., (1997) cited by Sutehall et al., (2010) secondary data is the use of existing data to find answers to research questions that differ from the questions asked in the original research.

Data Analysis Method

Validity and Reliability Test

Questionnaire design is conducted to perform validity and reliability test to prove the truth of hypothesis and to know the relationship between variable Y and variable X₁, and X₂. Then, the result from questionnaires are analysed with Pearson Product Moment. Alpha Cronbach is a reliable coefficient that can indicate how good items in asset have positive correlation on one another. If probability of correlation is less than 0.05 (5%) and value for each relationship is more than 0.3 then the research instrument is stated as valid. The reliability test in this research uses Alpha Cronbach. If Alpha is less than 0.6 then it is unreliable. The interpretation of Alpha Cronbach (Sekaran, 2003; 311) is as follows:

1. < 0.6 indicates unsatisfactory internal consistency or consider that the data is unreliable.
2. 0.7 indicates that the data is acceptable.
3. 0.8 indicates good internal consistency or consider that the data resulted is reliable.

Multiple Regression Analysis Model

Multiple regressions are a statistical technique that simultaneously develops a mathematical relationship between two or more independent variables and an interval-scaled dependent variable. Linear regression is one of the fundamental models in statistics used to determine the relationship between dependent and independent variables. An extension of this model, namely multiple linear regressions, is used to represent the relationship between a dependent variable and several independent variables. The analysis used multiple linear regression analysis using SPSS 21.0 Application can be formulated as follows:

\[ Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \varepsilon \]

Notes:
- \( \beta \) : Beta
- \( \alpha \) : Alfa or constant
- \( \varepsilon \) : Error
- Y : Employee Engagement
- X₁ : Reward
- X₂ : Recognition

Testing Classical Assumption

Multicollinearity

Multicollinearity is used to test whether the regression models finds no correlation between the independent variables. If there is a correlation, then there is a problem called multicollinearity. To determine the presence / absence of multicollinearity, variance Inflation Factor (VIF) and Tolerance are used. If the VIF value is less than ten and the value of Tolerance (T) is more than 0.1 and less or equal to 1, meaning there isn’t multicollinearity. Conversely, if VIF value is more than ten and the Tolerance (T) is less than 0.1 and more than 1, meaning there is multicollinearity.
Heteroscedasticity

Heteroscedasticity test is a test of whether the regression model of the residual variance occur in equality one observation to another observation. If the one residual observation so the observations is fixed, then it is called homoskedastisitas. Conversely if the residual of the observation is different with the other observations, it is called heteroscedasticity (Sekaran, 2005).

Normality Test

Normality test aims to test the model regression whether the dependent variable with two independent variables has a normal distribution or not. To test the normality, this research uses the One Sample Kolmogorov Smirnov Test. Basic decision-makingis if the 2-tailed >0.05, the regression model meets assumptions of normality.

Autocorrelation Test

Autocorrelation test is used to test a linear regression model whether there is correlation between the variables tested or not. If there is a correlation, then there is a problem called Auto correlation which causes the model becomes inappropriate. Autocorrelation is used to detect the presence of Durbin Watson value, while the test criteria are as follows:

If the value of DW is below 0 to 1.5 means that there is Positive autocorrelation;
If the value of DW is between 1.5 to 2.5 means no autocorrelation;
If the value of DW is between 2.5 to 4 means that it has Autocorrelation negative.

The coefficient of determinant (R2)

The coefficient of determination indicates how much percentage variation in the dependent variable that can be explained by independent variables. R² value lies between 0 and 1. The greater the R², the greater the variation of dependent variables which can be explained by independent variables which shows the more precise the regression line in representing the results of the actual research. The coefficient of determination expressed in a certain percentage.

Test partially (T-test)

This test is intended to determine whether each independent variables partially influence dependent variable or not, by assuming a constant value of independent variables.

3. RESULTS AND DISCUSSION

Validity and Reliability Test

This will be explained the result of validity and reliability of every questions in questionnaire that being used. Validity test is used to know whether the instrument is valid or not. The instrument is valid if the score of indicator is positive and more than 0.3 (r ≥ 0.3).
Table 1. Correlations

<table>
<thead>
<tr>
<th></th>
<th>X1</th>
<th>X2</th>
<th>Y</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Correlation</td>
<td>X1</td>
<td>.872**</td>
<td>.397**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.003</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Pearson Correlation</td>
<td>X2</td>
<td>.872**</td>
<td>1</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Pearson Correlation</td>
<td>Y</td>
<td>.397**</td>
<td>.349**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.003</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS Data Analysis, 2015

This testing can be conducted by comparing correlation index in Pearson Product Moment with significance level of 5%, in order to see whether research instruments are valid or not. If probability of correlation is less than 0.05 (5%) and value for each relationship is more than 0.3 then the research instrument is stated as valid. Reliability test is used to check the consistency of the measurement instrument. The reliability test in this research using Alpha Cronbach that will show the instrument is reliable if the coefficient is more than 0.6.

Table 2. Reliability Statistics for Reward (X1)

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.771</td>
<td>3</td>
</tr>
</tbody>
</table>

Source: SPSS Data Analysis, 2015

Table 3. Reliability Statistics for Recognition (X2)

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.916</td>
<td>3</td>
</tr>
</tbody>
</table>

Source: Data processed, 2015.

Table 4. Reliability Statistics Employee Engagement (Y)

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.821</td>
<td>1</td>
</tr>
</tbody>
</table>

Source: SPSS Data Analysis, 2015

This Tables shows that Alpha Cronbach are (X1) 0.793, (X2) 0.774, and (Y) 0.821 which are above the acceptance limit of 0.6; therefore, the research instrument is reliable.
Test of Classical Assumption

Heteroscedastisity Test

Based on graph 1, it can be seen that there is no established pattern. In other words the graph shows that the points spread above and below 0 (zero) on the Y-axis. This proves that in the relationship between independent variables (reward) (X1) and (recognition) (X2) and dependent variable (employee engagement) (Y) is free of Heteroscedastisity.

Multicollinearity Test

Table 5. Multicollinearity Test

<table>
<thead>
<tr>
<th>Model</th>
<th>Tolerance</th>
<th>VIF</th>
</tr>
</thead>
<tbody>
<tr>
<td>X1</td>
<td>.067</td>
<td>6.249</td>
</tr>
<tr>
<td>X2</td>
<td>.081</td>
<td>7.287</td>
</tr>
</tbody>
</table>

Table 5 shows the calculation of Multicollinearity. Moreover, it can be known through the VIF and tolerance, whereby if the value of VIF and tolerance is below 10 then the regression model in this research is free from multicollinearity. Based on the results in the Table 5.3, it can be seen that the symptoms of multicollinearity VIF value of reward (X1) and recognition (X2) are below numbers < 10 which means that there is no connection between the independent variables. Thus, multicollinearity assumptions are met (free of multicollinearity).

Normality Test

Graph 2. Normality Test

Source: SPSS Data Analysis, 2015
From the graph 2, it can be seen that the points spread closely around the diagonal line. This proves that the Regression model to test the influence of reward ($X_1$) and recognition ($X_2$) on employee engagement ($Y$) have a normal distribution or in other words, normality assumption is met.

**Influence Analysis (Beta Analysis)**

As has been pointed out in the previous section that the objective of this study to analyze the influence of reward ($X_1$) and recognition ($X_2$) on employee engagement and to test the hypothesis by using quantitative analysis through linear regression methods. In calculating the regression between reward ($X_1$) and recognition ($X_2$) as the independent variables and employee engagement ($Y$) as the dependent variable, by using a computer program package Based on the statistical software SPSS Version 20, the result is as follows:

**Table 6. Influence Analysis**

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>2.025</td>
<td>.810</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$X_1$</td>
<td>.291</td>
<td>.078</td>
<td>.259</td>
</tr>
<tr>
<td></td>
<td>$X_2$</td>
<td>.633</td>
<td>.068</td>
<td>.650</td>
</tr>
</tbody>
</table>

*a. Dependent Variable: Y*

Source: SPSS Data Analysis, 2015

From the analysis, the obtained linear regression equation is as follows

$$Y = 2.025 + 2.025X_1 + 0.633X_2 + e$$

The interpretation of multiple linear regression equation above, is follows:

1. Constant value of 0 means that if all independent variables (reward ($X_1$) and recognition ($X_2$)), employee engagement ($Y$) will be 2.025 point.
2. Coefficient value of 0.291 means that if reward ($X_1$) is increased by one scale or one unit, it will improve employee engagement ($Y$) at 0.291.
3. Coefficient value of 0.633 means that if recognition ($X_2$) is increased by one scale or one unit, it will improve employee engagement ($Y$) by 0.633.

Thus, independent variable of this research, which is reward ($X_1$) and recognition ($X_2$) have an influence on employee engagement ($Y$).

**Coefficient Correlation (r)**

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Durbin-Watson</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.826</td>
<td>.682</td>
<td>.675</td>
<td>.775</td>
<td>1.764</td>
</tr>
</tbody>
</table>

*a. Predictors: (Constant), $X_2$, $X_1$  
b. Dependent Variable: Y*

Source: SPSS Data Analysis, 2015

Based on Table 6, (r) is equal to 0.826 indicating that the independent variables (reward ($X_1$) and recognition ($X_2$)) and dependent variable (employee engagement ($Y$)) has strong relationship.
Coefficient Determination ($r^2$)

To determine the contribution of reward ($X_1$) and recognition ($X_2$) on employee engagement ($Y$), $r^2$ will be used $r^2$ value of 0.682 in this study shows that the contribution of reward ($X_1$) and recognition ($X_2$) on employee engagement ($Y$) is 68.2% while the remaining 31.8% is affected by other variables which are not examined in this study.

Hypothesis Testing

Hypothesis testing consists of F-test and t-test. F-test is used to determine the simultaneous effect, and T-test is used to determine the partial effect of each independent variable to dependent variable.

Simultaneously Test (F-test)

Simultaneous test conducted to determine whether reward ($X_1$) and recognition ($X_2$) has simultaneous effect on employee engagement ($Y$). Hypothesis test is carried out simultaneously by using F numbers in the table below. Testing is done by using these following criteria:

- If $F_{\text{count}}$ (sig) $\geq$ 0.05 then $H_0$ is accepted and $H_a$ rejected
- If $F_{\text{count}}$ (sig) $< 0.05$ then $H_0$ is rejected and $H_a$ accepted

Table 7. Simultaneously Test Analysis (F – test) ANOVA$^b$

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>124.755</td>
<td>2</td>
<td>62.377</td>
<td>103.881</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>58.245</td>
<td>97</td>
<td>.600</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>183.000</td>
<td>99</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

$^a$ Predictors: (Constant), $X_2$, $X_1$

$^b$ Dependent Variable: Y

Source: SPSS Data Analysis, 2015

Significant value of $F_{\text{count}}$ is 0.000. The sig is less than 0.05 which means the confidence of this prediction is above 95% and the probability of this prediction error is below 5% which is 0.000. Therefore $H_0$ is rejected and $H_a$ is accepted. Thus, the formulation of the hypothesis that The Influence of reward ($X_1$) and recognition ($X_2$) influence employee engagement ($Y$) simultaneously is accepted.

Partially Test (T-test)

Partial test is used to see whether independent variables (reward ($X_1$) and recognition ($X_2$)) partially influence dependent variable (employee engagement ($Y$)) or not, by performing comparisons between the $t_{\text{count}}$ values with $t_{\text{table}}$ value at $\alpha = 0.05$ or comparing the probability of the real level 95% of the partial coefficient ($r$) so the partial influence of the independent variables can be seen. The t-test is run by using this criteria of hypothesis testing:

- $t_{\text{count}} > t_{\text{table}}$ (0.05), then $H_0$ is accepted and rejecting $H_a$.
- $t_{\text{count}} < t_{\text{table}}$ (0.05), then $H_0$ is rejected and accepting $H_a$.

The data in Table 4.6 shows the t-test partially results:

Table 8. Partially Test

<table>
<thead>
<tr>
<th>Model</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>$X_1$</td>
<td>3.708</td>
<td>.000</td>
</tr>
<tr>
<td>$X_2$</td>
<td>9.329</td>
<td>.000</td>
</tr>
</tbody>
</table>

Source: SPSS Data Analysis, 2015
Based on the calculations in the table 8, the interpretation is as follows:

1. $t_{count}$ for reward ($X_1$) is 3.708 which is greater than the value of $t_{table}(1.984)$ means that reward ($X_1$) has partially significant influence partially on employee engagement ($Y$). The sig. value of 0.000 means that prediction of reward ($X_1$) influence on employee engagement ($Y$)’s errors is 0.00 %. Thus the confidence of this prediction is above 95%. Therefore, $H_a$ is received.

2. $t_{count}$ for recognition ($X_2$) 9.329 greater than the value of $t_{table}(1.984)$ means that recognition ($X_2$) has partially significant influence on employee engagement ($Y$). The sig. value of 0.000 means that prediction of recognition ($X_2$) influences on employee engagement ($Y$)’s errors is 0.00 %. Thus the confidence of this prediction is above 95%. Therefore, $H_a$ received.

**Discussion**

The influences of reward and recognition on employee engagement partially and simultaneously are proven by the interpreting data analysis given by the SPSS. The interpretation shows that all the variables have strong relationship and are supported by significance level. This happens because of the engagement of the employee cannot be separate from the employees individual interesting. Employee engagement is stronger predictor of positive organizational performance clearly showing the two-way relationship between employer and employee compared to the three earlier constructs: job satisfaction, employee commitment and organizational citizenship behavior. Engaged employees are emotionally attached to their organization and highly involved in their job with a great enthusiasm for the success of their employer, going extra mile beyond the employment contractual agreement. Employee engagement can be measured by looking on how they feel motivated in their work. Employee tends to be more motivated if they get something that can make them feel more excited in the workplace. Motivated occur if the company shows their respect to their own employee by giving their employee what they should receive and if it necessary give the employee more that they will receive. Reward and recognition play an important role on employee and company because with a poor reward and recognition employee will get no motivated and it will cause the company will suffer a poor performance because of the lack of those aspects. This research finding is similar with the result of some previous studies conducted by Hence which is one might expect that employees’ to be more engaged at work to the extent that they perceive a greater amount of rewards and recognition for their role performances. Maslach et al. (2001) have also suggested that while a lack of rewards and recognition can lead to burnout, appropriate recognition and reward is important for engagement.

General conclusion in this research indicates that the variables of reward and recognition are quite capable in influencing the employee engagement at PT. Bank Sulut.

**4. CONCLUSION AND RECOMMENDATION**

**Conclusion**

1. Reward and Recognition have influences to employee engagement at PT. Bank Sulutgo, Manado, simultaneously.
2. Reward has influence to employee engagement at PT. Bank Sulutgo, Manado, partially.
3. Recognition has influence to employee engagement at PT. Bank Sulutgo, Manado, partially.
Recommendation

1. The company should maintain the employees to keep doing good on their work by providing a good reward and recognition instead. The better the reward and recognition in company the better the employee engagement. This will maintain a good relationship between company and its own employees.
2. Rewards and recognition can prevent the employee an interesting work result in a committed workforce that is involved and would continue to contribute and stay with the organization.
3. The employee also should give more their ability to increase their work. A good relationship could give a lot of benefit for the company and the employee.

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