

## COMPARATIVE ANALYSIS OF REWARD AND EMPLOYEE PERFORMANCE BASED ON GENDER AT CENTRAL BANK OF BANK SULUT

by:

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### ABSTRACT

Employee are the big asset of organization. Employee Performance are have big effect of organization performance. The best way to attract employee performance is rewarding employee. Reward can be tangible such money, bonuses or called extrinsic reward and intangible reward such promotion, holiday or called intrinsic reward. The purpose of this research are to analyzed significant differences in employee performance based on reward between male and female. To achieve the objectives researcher use following instrument depend on the extrinsic reward ,intrinsic reward and employee performance. The target of population were the employees at Central Bank Of Bank Sulut, in North Sulawesi, Indonesia. And the sample take 100 employees of 140 total employees. Data was collected using questionnaire and analyzed using independent sample t test. The result from the study found there are significant differences in employee performance based on reward between male and female. The study recommended the company should know how the company standard use for determine the reward depend on employee performance.

**Keywords:** *intrinsic reward, extrinsic reward*

### INTRODUCTION

#### Research Background

Today there are so many business companies in the world, so automatically it creates challenges for every company. Company now facing so many challenge acquiring right workforce and retaining it (Hafiza et al, 2011). Employees are the important and valuable assets of company that will give the benefit to the company. Therefore, company have to do something to make the employees satisfied with their job. Two ways that can be used to make the employees satisfied are rewarding and motivating the employees. Reward is one of the important factors which is needed to motivate employees so they may perform their best effort to produce innovative ideas. It will lead to better functionality and improve company performance both financial and non-financial. According to (Aktar et al, 2012) ,there are other means to reward employees that do not just focus on financial compensation. Related with that, (Ajila and Abiola, 2004) state that rewards can be either intrinsic or extrinsic.

The manager should think about how to make the employees satisfied with their jobs, so they may give their maximum result every time they work. Employees will give their best results if they are rewarded but, when the reward does not suitable with their work they will be dissatisfied. When employees are rewarded fairly they are most likely to perform better, and when they feel unfairly rewarded compared to fellow colleagues they are prone to feelings of dissatisfaction and demotivation. All the companies should know that creating employees dissatisfaction and demotivation will surely affect their overall performances. Employees performance is needed by organizations to set the goal. They need the employees who have skill and great performance for their better future, but if organizations want to have the better performance from their employees, they have to attract the employees in many ways. Currently, most organizations look for the way to

gain and motivate the employees performance so they can have more advantages. Therefore, since reward determines the organizational success, companies must do their best to create rewarding system for employees.

Bank Sulut as the commercial bank in North Sulawesi is the company that popular with its rewarding system for the employees. The employees in this bank experience better reward system than the other banks in Manado, North Sulawesi. That statement is supported by the fact that many people want to work there because they already know that Bank Sulut has a good reward system. Bank Sulut is the one of large bank in North Sulawesi and has a good rate from Bank Indonesia. Which is proved by the certificate and the award from Bank Indonesia.

That good result is supported by the performance of employees in Bank Sulut. Because, employees are the big participant for the performance of the bank. Although this bank has a good rate, there is no guarantee that they have no problem on rewarding, because based on the first observation, researcher found that there are many male employees who have a better job promotion than female employees. In central bank of Bank Sulut, most executives employees are men while most the women employees only get the ordinary position. Related with the previous issue under level employees, stated that an employees will have a good reward such as, promotion because they have good relationship with high level employees or executive employees. So based on those issues, researcher wants to do the research to find out the problem based on the questionnaires distributed to the employees and to create the comparative of analysis employees performance between male and female employees based on reward. There are some problem about rewarding employees in Bank Sulut, but the researcher wants to know why the reward system in Bank Sulut is different by gender, and it makes this research is done in Bank Sulut.

### **Research Objectives**

The objective of this study is to analyze significant differences in Employee Performance based on Reward between male and female.

## **THEORETICAL FRAMEWORK**

### **Human Resource Management**

Human resources management is the policies and practices on the people or Human resource aspect of management such the process of recruiting, training, appraising, and rewarding employee (Dessler and Tan, 2009:4).

### **Compensation**

Compensation refers to all forms of pay or rewards given to the employees and arising from their employment (Desller and Tan, 2009:286).

### **Motivation**

Motivation is psychiological process that result from the interactions between an employee and the work environment.(Mikander, 2010). The employees are willing to increase their work effort in order to obtain a specific need or desire that they hold (Mikander, 2010)

### **Reward**

Reward is the giving by individual or organization to the worker or employee as the following job they do. Mirkander,(2010) rewards is the benefit that arise from performing a task, rendering a service or discharging a responsibility. According to (Aktar et al, 2012) extrinsic rewards includes basic pays, merit pays, and performance bonus and intrinsic rewards includes recognition, learning opportunity, challenging work and carrer advancement.

### **Employee Performance**

Employee performance is the productivity or result of the employee while doing the job. Employee performance means employee productivity and output as a result of employee development. Sultana et al, (2012). Employee performance means a performance comprises an event in which normally one group of people the performer or performers act in a particular way for another group of people (Chaudary & Sharma, 2012).

### **Previous Research**

Ajila and Abiola (2004), examined the influence of rewards on workers performance and found that there existed relationship between extrinsic reward and the performance of workers, while no relationship existed between intrinsic rewards and workers performance.

## **RESEARCH METHOD**

### **Source of Data**

For this current research, researcher use two type of data collected, first primary data that is the data originally by researcher to address the research problem and secondary data which the data support primary data such from journals, books, literature and internet.

### **Population and Sample**

Population refers to the entire group of people, events, or things of interest that the researcher wishes to investigate. It is the group, events, or things of interest which researcher wants to make inferences (Sekaran & Bougie, 2009:262). The population for this research intend to all of employees at central bank of Bank Sulut. The total employee of central bank of bank sulut are 140 employees. A sample is a subset of population. It comprises some members selected from it. In other words, some, but not all, elements of the population form the sample (Sekaran & Bougie, 2009:263). Sample for this research are the employees in 14 division of bank sulut excluding the head of division and head of department. And the total sample are 100 respondent that is depend on Krejcie and Morgan sample size for a given population size table. (Sekaran and Bougie, 2009:295).

Operational definition of research variables:

1. Reward refers to all forms of pay given to employees. Can be direct financial payments or indirect payments.
2. Employee Performance is a rating system used in many corporations to decide the abilities and output of an employee.

### **Data Analysis Method**

#### **Validity and Reliability Test**

Validity test is a test of how well an instrument that is developed measures the particular concept it is intended to measure (Sekaran and Bougie, 2009:158). It is used by researcher to test the goodness of measures. Reliability test is a test of how well an instrument measures whatever concept it is measuring (Sekaran and Bougie, 2009:161).

#### **Independent Sample t test**

Independent sample t test is used to compare differences between separated group . In this research, the researcher uses independent sample test to compare the differences between male and female in employees performance based on reward. (Sekaran and Bougie, 2009:345).

**RESULT AND DISCUSSION****Table 1. Validity Test**

		x1	x2	x3	x4	x5	x6	y1	y2	y3	y4	Result
R1	Pearson Correlation	1	.292**	.333**	0.02	.378**	0.007	0.059	0.112	.230*	0.098	.444**
	Sig. (1-tailed)		0.002	0	0.42	0	0.471	0.28	0.134	0.011	0.166	0
	N	100	100	100	100	100	100	100	100	100	100	100
R2	Pearson Correlation	.292**	1	-	.166*	.354**	.419**	0.032	0.088	0.111	0.138	.597**
	Sig. (1-tailed)	0.002		0.037	0.049	0	0	0.377	0.191	0.136	0.085	0
	N	100	100	100	100	100	100	100	100	100	100	100
R3	Pearson Correlation	.333**	-	1	.167*	.187*	-	0.096	0.003	0.145	-	.303**
	Sig. (1-tailed)	0	0.037		0.048	0.031	0.025	0.17	0.489	0.076	0.43	0.001
	N	100	100	100	100	100	100	100	100	100	100	100
R4	Pearson Correlation	0.02	.166*	.167*	1	.308**	.221*	0.09	0.114	.166*	.241**	.468**
	Sig. (1-tailed)	0.42	0.049	0.048		0.001	0.014	0.186	0.129	0.05	0.008	0
	N	100	100	100	100	100	100	100	100	100	100	100
R5	Pearson Correlation	.378**	.354**	.187*	.308**	1	.269**	0.053	0.137	.176*	.207*	.667**
	Sig. (1-tailed)	0	0	0.031	0.001		0.003	0.3	0.086	0.04	0.019	0
	N	100	100	100	100	100	100	100	100	100	100	100
R6	Pearson Correlation	0.007	.419**	-	.221*	.269**	1	0.045	-	0.026	.208*	.452**
	Sig. (1-tailed)	0.471	0	0.025	0.014	0.003		0.329	0.084	0.398	0.019	0
	N	100	100	100	100	100	100	100	100	100	100	100
EP1	Pearson Correlation	0.059	0.032	0.096	0.09	0.053	0.045	1	0.153	0.123	-	.326**
	Sig. (1-tailed)	0.28	0.377	0.17	0.186	0.3	0.329		0.064	0.11	0.004	0
	N	100	100	100	100	100	100	100	100	100	100	100
EP2	Pearson Correlation	0.112	0.088	0.003	0.114	0.137	-	0.153	1	.272**	0.036	.324**
	Sig. (1-tailed)	0.134	0.191	0.489	0.129	0.086	0.084	0.064		0.003	0.36	0.001
	N	100	100	100	100	100	100	100	100	100	100	100
EP3	Pearson Correlation	.230*	0.111	0.145	.166*	.176*	0.026	0.123	.272**	1	0.077	.308**
	Sig. (1-tailed)	0.011	0.136	0.076	0.05	0.04	0.398	0.11	0.003		0.223	0.001
	N	100	100	100	100	100	100	100	100	100	100	100
EP4	Pearson Correlation	0.098	0.138	-	.241**	.207*	.208*	-	0.036	0.077	1	.346**
	Sig. (1-tailed)	0.166	0.085	0.018	0.008	0.019	0.019	0.004	0.486	0.36	0.223	0
	N	100	100	100	100	100	100	100	100	100	100	100
Result	Pearson Correlation	.444**	.597**	.303**	.468**	.667**	.452**	.326**	.324**	.308**	.346**	1
	Sig. (1-tailed)	0	0	0.001	0	0	0	0	0.001	0.001	0	
	N	100	100	100	100	100	100	100	100	100	100	100

\*\* Correlation is significant at the 0.01 level (1-tailed).

\* Correlation is significant at the 0.05 level (1-tailed).

Source: data processed



For validity test, the researcher use the factor test and use the pearson correlation whose R is 0.3.

Criteria Assumed : If R correlation is higher than 0.3, the data is valid and if the p correlation is less than 0,3 it means that the data is not valid.

**Table 2. Reability Test**

Cronbach's Alpha	N of Items
0.611	10

Source: data processed

The reliability statistic in table 2 above , the Cronbach Alfa is 0.611. It means that the results is higher than 0.6 with the standard minimum of 5%. Based on that fact, that data used in this research is reliable data. Therefore the instrument data used in this research can be trusted.

**Table 3. Group Statistic**

	Gender	N	Mean	Std. Deviation	Std. Error Mean
Result	1	50	3.87	0.266	0.038
	2	50	3.77	0.206	0.029

Source : data processed

Table 3 above describe group statistic of different gender. Which have total amount gender 50 for each. Then the total mean of each gender with standard deviation and standard error showed above.

**Table 4. Independent Sample t test**

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	Df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower	Upper	
Result	Equal variances assumed	4.327	0.04	2.057	98	0.042	0.098	0.048	0.003	0.193
	Equal variances not assumed			2.057	92.289	0.043	0.098	0.048	0.003	0.193

Source : data processed

### Classic Assumption

Before conducting the t test, we should testing the equal variance assumed using the F test or (Lavene's test) must be done, it means that if the variance is equal the T test will using the equal variance assumed will be used if the equal variance is different we will using equal variance not assumed will be used.

These are the steps for F test :

1. Making Hypothesis  
H<sub>0</sub>: the equal variance assumed  
H<sub>a</sub> : the equal variance not assumed
2. Criteria of the test ( depend on probability / significant)  
H<sub>0</sub> is accepted if the P value > 0.05  
H<sub>0</sub> is rejected if the P value < 0.05
3. Comparing the probability / significant  
The P value is 0.040 (< 0.05) so the H<sub>0</sub> rejected
4. Conclusion  
Because the probability (significancy) with equal variance assumed is 0.040 which is less than 0.05 so the H<sub>0</sub> is rejected. It means that the variance are equal ( the variance of male and variance of female are different. Based on this result the t test using equal variance not assumed.

Independent sample t test

1. Hypothesis of this test are There is no significant differences in employees performance based on reward between male and female and there is significant differences in employees performance based on reward between male and female
2. Determining the significant  
Using the two side with the significant level  $\alpha = 5\%$ . This is the standard that is used in research.
3. Determining the T count  
based on the table above, it is found that T value ( equal variance not assumed ) is 2.057
4. Determining t table  
(df) 92.289 significant = 0.025 so t table is 1.986 ( calculate using) excel =tinv(0,05,92.289) ).
5. Criteria assumed  
H<sub>0</sub> is accepted if  $-t \text{ table} < t \text{ count} < t \text{ table}$   
H<sub>0</sub> is rejected if  $-t \text{ count} < -t \text{ table}$  or  $t \text{ count} > t \text{ table}$
6. Based on probability:  
H<sub>0</sub> is accepted if P value > 0,05  
H<sub>0</sub> is rejected if P value < 0,05
7. Comparing t count with t table  
Value of t count > t table (2.057 > 1.986) and P value (0, 043 < 0,05) so H<sub>0</sub> is rejected
8. Conclusion  
The Value of t count > t table (2.057 > 1.986) and P value is 0, 043 (< 0,05) so H<sub>0</sub> is rejected. It means that there is a significant differences in Employees Performance based on Reward between male and female. And then, because the t count is positive it means that the mean result for man is higher than the mean result of woman.

There is a significant differences in Employee Performance based on Reward between male and female. And then, because the t count positives it means the mean result for male is higher than the mean result of woman.

## Discussion

The main objective of this research is to prove the hypothesis state by researcher. Based on the result above, it is found that a significant differences in employees performance based on reward between male and female. This result can be seen at the mean of each group where the total mean of male is higher than female. Hafiza et al, (2011) state there is a significant relationship between extrinsic and intrinsic rewards that will impact employee performance depend on gender. Based on the result, means the male employees are rewarded more than the female employees. It is supported by the fact that male employees have easier access to get promoted. The different rewarding on male and female can be caused by many factors the female employees, such as the educational level, performances level, have friends in executive level, and relation with other employees.

The fact that male employees have easier access to get promoted than female employees may be explained by who they mingle with in the office. The reason is because men are more likely to be mentored by senior executives, whereas women are more likely to have junior-level mentors. This difference is an issue of access. The employees of PT Bank Sulut have a different basic education while the most employees who have higher education are men. That fact becomes one reason why the reward is different between male and female.

Based on the research, different reward between male and female is also related with the performance of each employees. The male employees are the most employees with the best performance in the company. The job with high risk is always taken by male employees, and most of them have a great performance and finish the job before the deadline to get the reward. The fact that most employees in particular company are men can be one consideration related with the different reward system when one employees.

About has the experience and qualification, that employees may become the valuable employee for the company. Because the company considers it concerns knowledge about its specific product portofolio, a technology that is particularly crucial for the firm and relationships with its most important customers. These firm specific skills are very important and pivotal because if this person who has accumulated this knowledge over the course of his or her tenure at the firm left, the firm would not be able to find a replacement in the job market, because skills are not something that can be learnt at school or at some other employees. Regarding that fact, the company has a belief that women are more likely than men to resign from their job than man because at some point they have to give birth and take care of children are more reluctant to assign jobs that lead to such firm specific skills to women. Therefore, normally, women build up less of those crucial firm specific skills and they earn less money for what is seemed to be the similiar job.

Most employers make the assumption that women are more likely to drop out of employment than men. It is also seems quite possible that two people having the same function might not get paid the same salary because one of them might have built up more of those important firm specific skills, which employers reward in the form of a higher salary because they are more afraid to lose them. So, intuitively appealing indeed. But, in spite of its intuitive appeal, no one has actually provided any evidence for it. and that is because it is incredibly difficult to research. It is just very difficult to measure such firm specific skills, because certain jobs are the same for male employees and female employees. Basically, all can be measure is someone's sex, their job status, and their salary and not much more.

By being focused to the definition by definition, firm specific skills do not matter much in this industry. Temporary employees, employed by staffing firms, are meant to be transient and hopping between jobs. Firm specific skills are all but irrelevant for the kind of work they do. If the issue is about to find equal wages between men and women in this sector, there will be strong evidence that gender pay differences in other sectors are likely due to firm specific skills, and not some evil discriminatory attitudes amongst employers. Then, something else perhaps more sinister must be going on.

At Last, based on this result where the result found that there is a significant difference on employees performance based on reward, but the level of differences are not too much, which can be related with employees attendance to office on time. Male employees have higher ability to come on time to work than female employees, it is because the male employees doesn't have many things to prepare before going to work, but for female employees, there are several things that they have to prepare such as if they are married, female employees need to prepare their family first before going to work.

There are also difference in personal thank you or appreciation note from the supervisor, manager, or co worker between male and female, it is happened because the male employees dominate the job that have specific skill than the female employees, the male employees dominates the middle and high level position while most female employees are at low level up to the middle. The reason for that fact is of because the employees education skill and the employees status.

## CONCLUSION AND RECOMMENDATION

### Conclusion

There are several conclusion depend on this research, which are :

1. The researcher finds that the equal variance not assumed will be used because the significant is less than the standard level of significant. based on this the independent sample result find that there is a significant differences in employees performance based on reward between male and female. The differences of reward between male and female is happened because the most employees are man, and the level education and job position of male employees are usually higher than female employees.
2. The employees of PT Bank Sulut also have a different basic education. While the most employees who have higher education are men. so that fact becomes one reason why the reward is different between male and female. Based on research, different reward between male and female is caused also made by the performance of each employees. The male employees are employees with the best performance in that company. The job with the high risk is always taken by male employees, and most of them have a great performance and finish the job before deadline to get the reward. The fact that most employees in particular company can be one consideration related with the different reward system.

### Recommendation

Study recommended for this research:

1. The recommendation for the company where the research take place, every company should know how the company standard to determine the reward depend on employees performance and then try to evaluate the given of reward for see the significant or not significant differences between male and female. In Central Bank of Bank Sulut, based on this result, company should know and find why can there is a significant differences based on reward to the employees, and company need to solve the problem.
2. For the problem of men have a better reward like promotion than woman, as the recommendation for the bank, it should know first what are the indicators that make the men have better reward than woman.
3. Then the problem of men who have a good internal relationship with higher executives employees, the recommendation for this case, the higher level employees must be objective when taking an action of giving promotion to their employees.

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