

AWARD SYSTEM IMPROVES ORGANIZATIONAL EFFECTIVENESS IN KECAMATAN KALAWAT MINAHASA UTARA NORTH SULAWESI

JAM

16, 1

Received, December 2017

January 2018

Revised, February 2018

Accepted, February 2018

Arie Supriati

Faculty of Social Science Universitas Negeri Manado

Abstract: This study aims to examine the extent to which the system of rewards is a solution in improving the effectiveness of organizations in Kalawat District, North Minahasa - North Sulawesi. Given the changing global environment marked by changes in all areas, it is a challenge for an organization to be able to properly utilize the change into an opportunity. Because if it is too late to prepare and develop its potential, then the opportunity will soon be taken more competitor more prepared. The competitive advantage of an organization is determined by external and internal factors. But the internal factor of an organization's competitive advantage is considered an important factor for success. This research uses the qualitative descriptive approach with literature study method, interview, document and observation at Kalawat District government. The results of this study indicate that rewards are a solution in improving the effectiveness of the organization in the District Government Minahasa North-North Sulawesi

Keyword: Reward, Resource, Organization,



Journal of Applied
Management (JAM)
Volume 16 Number 1,
March 2018
Indexed in Google Scholar

Correspondence Author:
Arie Supriati, Faculty of
Social Science Universitas
Negeri Manado, Email:
ariesupriati@unima.ac.id
DOI: [http://dx.doi.org/
10.21776/ub.jam.2018.016.
01.12](http://dx.doi.org/10.21776/ub.jam.2018.016.01.12)

Lately, there has been a shift in the global environment marked by changes in all fields. The challenge for an organization is how the organization is able to properly utilize the change into an opportunity. Because if it is too late to prepare and develop its potential, then the opportunity will soon be taken more competitor more prepared. According Kasali (2005) Change is the real essence of human beings, not just to work and earn income, they do work, leisure, and learning. Change should give space to enjoy life with pleasure. Because positive pleasure will encourage people to

work more productively and out of tension or boredom. To make the organization more effective, the organization needs a reward system that is one of the human resource management strategies to create the alignment of work between staff and management. Efforts to improve the rewards system will be able to motivate employees' work and establish coordination among employees that have a direct impact on the ability of the organization in responding to its environment. The purpose of this study, to examine the extent to which the rewards system can be a solution in improving organizational effectiveness in Kecamatan Kalawat, North Minahasa-North Sulawesi.

Literature review

Award System from Scientific Point of View
The reward is the joining of human beings into the company or organization as members accompanied by various expectations that their needs can be fulfilled by the organization. In return for its participa-

tion in achieving some organizational goals, the Company provides various allowance and awards both material and non-material in accordance with their respective achievements. The existence of various possibilities for the award can encourage employees to achieve higher achievement.

The reward is an effort to get professional employees. In accordance with the demands of the position required a continuous coaching, that is an effort activities planning, organizing, use, and maintenance of employees to be able to perform the task effectively and efficiently. As a concrete step in the results of coaching it is necessary to provide rewards to employees who have shown good performance. Giving reward is a leader's efforts in providing remuneration for the work of employees, so as to encourage employees to work more diligent and potentially. Leaders reward when an employee's work has met or exceeded the standards set by the organization. There are also organizations that reward employees for their years of service and dedication can be an example for other employees.

Suharsimi Arikunto (2009) explains that reward is something given to someone because it has got the achievement in accordance with the desired. Robbins (2001) says that a reward system is more necessary for cooperation than competing against one another. Promotions, pay increases, and other forms of rewards that collaborate effectively with a team member. Mulyadi and Setyawan (2001) awards system are one of the important controlling tools used by companies to motivate personnel to achieve company goals (not individual goals) with behavior as expected by the company (not personally favored behavior). The opinions of experts can be concluded that a reward is a form of recognition to a particular achievement given in the form of material and non-material given by the organization or institution to individuals or groups of employees so that they can work with high motivation and achievement in achieving organizational goals.

Reward Criteria

In order for the award to be useful and in accordance with the objectives to be achieved, it is

necessary to consider the criteria in the awarding. According to Mulyadi and Setyawan (2001) are:

1. The award should be appreciated by the recipient, the award is not valuable in the eyes of the recipient will not motivate the recipient to perform.
2. The rewards must be large enough to have an impact, if the rewards provided are insignificant, the impact may be contrary to the effort to increase productivity. The award should be widely announced in order to have an impact on the recipient
3. The award must be understood by the recipient, the Recipient must understand well the reasons for the award and the value of the award they receive.
4. Rewards should be awarded at the right time, if not given immediately, rewards will lose impact as a motivator.

The impact of rewards should be felt in the long run, rewards can produce more value if the happy feelings generated by the award last long in the recipient's recollection.

Benefits of Reward

According to Mulyadi and Setyawan (2001), rewards produce two kinds of benefits, the benefits are to provide information and provide motivation. Awards can attract the attention of personnel and inform or remind them of the importance of something rewarded compared to other things. The awards also increase the motivation of personnel on performance measures, thus assisting personnel in deciding how they allocate their time and effort.

Types of Rewards

According to Byars and Rue (2000) grouping rewards into two categories, the first is Intrinsic Reward is a reward that is internal or perceived individually from the acquisition and engages the individual on a particular activity or task, such as feeling satisfied. The second is Extrinsic Reward is a reward that is controlled and distributed directly by the organization and is a tangible reward, such

as compensation. Gipson, Ivanhevic, and Donelly (2000) also classify awards into two categories. These categories are extrinsic and intrinsic awards, extrinsic awards are awards beyond their work such as payments, promotions or additional benefits. Intrinsic rewards are rewards that are part of work such as accountability, challenges and job feedback characteristics. Intrinsic rewards relate to their own jobs such as achievement, occupation, challenges, autonomy, responsibility, and personal and professional growth.

The intrinsic rewards are the satisfaction that a person obtains because he has successfully completed his job well and has achieved a certain goal. To increase intrinsic rewards, management can employ various techniques such as increased responsibility, participation in decision making, and other endeavors that enhance one's self-esteem and encourage people to be the best.

Any sophisticated tools, machines, and so are available if without reliable human resources then the existence of tools, machines, and so it cannot function optimally. For that from the elements of existing management then humans must first be managed if the organization or company really wants a high level of productivity. For this reason, it is necessary to design a work environment conducive to work, because humans have very heterogeneous characteristics, diverse needs, different feelings, unequal emotions, and many more elements contained in the human soul and physique that require professional handling. Appropriate recognition should be given to all members of the organization. Eligibility for awards such as appointment in an important committee or promoting to a new job sends out signs to employees that rewards are available, on time, and on the performance basis.

Luthans (2006) argues that managers everywhere use awards to motivate their employees. For example, by giving employees a certificate of appreciation, over duty, promotion, praise, recognition, the opportunity to continue training education, and sometimes leaders give awards in the form of money such as salary increases, bonuses, or the cost of a vacation.

From various studies of reward system theory, it can be concluded that the reward system is the

relationship between the organization and the individual through the exchange relationship. The rewards can be intrinsic rewards and extrinsic rewards. The intrinsic rewards include learning new things, responsibility, autonomy, appreciation, attention, caring, showing the ability to perform, and receiving praise. Extrinsic awards include over time, promotion opportunities, environment, working conditions, status, salary increases, and monetary enhancements.

METHOD

In this study, using literature study methods, interviews, documents and observations at the Kalawat District government. Kalawat sub-district is an expansion of Airmadidi sub-district based on Local Regulation of Minahasa Regency Number 06 the Year 2003 dated August 25, which was subsequently endorsed by Decree of Regent of Minahasa Number 23 the Year 2003 dated September 1, 2011.

RESULT

Area of Kalawat Subdistrict: 4,714 Ha, consisting of 12 urban villages and inhabited by 28,794 residents with Number of sub-districts and residents can be seen in the following table:

Table 1 Area and Total Population of Sub-district Kalawat

No	Urban Villages	Area (HA)	Total Population
1	Kalawat	54	2812
2	Kaleosan	550	786
3	Kawangkoan	311	2071
4	KawangkoanBaru	653	2885
5	Kolongan	767	2587
6	KolonganTetempangan	200	3895
7	Kuwil	600	1075
8	Maumbi	811	2701
9	Suwaan	500	1870
10	Watutumou I	717	3395
11	Watutumou II	63.5	2481
12	Watutumou III	75	2266
Total		4.714	28.794

Source: Kalawat Sub-district Profile Data 2016

Based on the Decree of North Minahasa Regent No. 06 of 2008 on the Main Duty and Function of the Sub-district organization is to assist the Regent in organizing the government as well as conducting community life development. In addition, Sub-district are also given tasks in the implementation of the delegation as the authority of the government of the Bupati, Implementation of the guidance of community life, and the preparation of other tasks given in accordance with the scope of its duties. Human resources/apparatus who serve in the office of Head Camat Kalawat can be seen in the following table:

Table 2 Number of Employees by Group

No	Group	Number of Employees	%
1	IV	6	15
2	III	24	60
3	II	9	22.5
4	I	7	17.5

Source: Kalawat Sub-district Profile Data 2016

Furthermore, for the level of education officials, Kalawat district can be seen in the following table:

Table 3 Employee Education Level in Kecamatan Kalawat

No	Level of Education	Total	%
1	Doctorate Degree	2	0,45
2	Master Degree	9	21
3	Undergraduate Degree	14	32
4	Diploma	8	18
5	High School	5	12
6	Junior High School	5	12
7	Primary School	3	0,67
Total		46	

Source: Kalawat Sub-district Profile Data 2016

As part of the North Minahasa region, Kalawat sub-district has a vision and mission that supports programs and activities as well as strategies and policies of North Minahasa regency government. Kalawat sub-district has a vision of "Kalawat Sub-

district to be a Superior District in providing data and information services in support of North Minahasa Regency's vision". In order to achieve the vision and mission, the values that must be developed and preserved in the life of the Kalawat sub-district organization are Commitment, Exemplary, Responsive, Professional, Accountable, Transparent, Deliberative for Consensus, Effective, Efficient, Coordination, Integration and Coherence.

DISCUSSION

The rewards system can help build individual and group performance motivations. A reward system that matches the expectations of employees with effective delivery mechanisms and procedures will serve to improve overall employee motivation. When employees feel comfortable in the workplace and are satisfied, individually they will work on a regular basis, never missed and lead to improved employee performance itself.

As a regional apparatus organization in Kabupaten Minahasa Utara, Kalawat Subdistrict in giving a choice of reward system to its employees refer to the rules of employment legislation. Although the reward system affects organizational effectiveness. But the creation of a good reward system will provide a comfortable working condition, motivation, and job satisfaction will increase. The award system provided by the team can improve the cooperation better so as to improve the effectiveness of the organization as a whole. managerial review by Sub-district Head as head of SKPD (Local Government Work Unit). Individuals who have increased their self-esteem from their work, and they will be happy to develop positive attitudes within the organization so that individuals will bring the organization's success to its goal which is one of the indicators that will be more effective.

CONCLUSIONS AND RECOMMENDATIONS

Conclusion

That the reward system becomes one of the factors that will give a positive impact in an effort to increase the effectiveness of the organization.

Improving the reward system is an absolute requirement in order to achieve effective organizational conditions. A good reward system will motivate employees to improve the performance of their work and will lead to increased organizational effectiveness. So it is necessary to review the reward system for employees both individually and in teams. Increased organizational effectiveness can be done by formulating a reward system that can and can be felt directly by employees/employees who have shown their performance in certain periodization.

Recommendations

The award system is not only in financial form, more than it is a form of respect for the organization of employees/employees who have shown their performance. It is, therefore, necessary that independent assessment teams from outside the organization in order to provide an assessment of individual performance.

REFERENCES

- Arikunto, S. 2009. *Manajemen Sumber Daya Manusia dan Sistem Penghargaan Komitmen Organisasi terhadap Kinerja Karyawan*. Jakarta: Bumi Aksara.
- Byars, Lloyd L., and Leslie Rue. 2000. *Human Resource Management*. Boston: McGraw-Hill.
- Donelly, I. Gibson. 2005. *Management Principles and Funtion*. Publisier USA.
- Fred Luthans and Jonathan P. Doh. 2006. *International Management: Culture, Strategy, and Behaviour*. New York: McGraw-Hill.
- Kasali, R. 2005. *Change*. Jakarta: Gramedia Pustaka Utama.
- Mulyadi. 2001. *Sistem Perencanaan Pengendalian Manajemen*. Jakarta: Salemba.
- Robbins, S P. 2001. *Organizational Behaviour*. USA Practice Hall
- Sedarmayanti. 2003. *Good Governance (Kepemerintahan Yang Baik) Dalam Rangka Otonomi Daerah Upaya Membangun Organisasi Efektif Dan Efisien Melalui Restrukturisasi Dan Pemberdayaan*, Cet I, Bandung: Mandar Maju.