

Analysis of The Effect of Rewards and Punishment on Employee Performance with Job Satisfaction as A Mediation Variable in PNPP at Bhayangkara Hospital, Semarang

Nur Wahyuni

Faculty of Economy, Universitas Islam Sultan Agung, Semarang, Indonesia, E-mail: emailquinsha@gmail.com

Abstract. *This study aims to analyze the effect of rewards and punishments on employee performance, with job satisfaction as a mediating variable, among Civil Servants in the Indonesian National Police (PNPP) at Bhayangkara Hospital in Semarang. This study was motivated by the phenomenon of PNPP performance targets not being met, as well as disciplinary issues evident in fluctuations in morning roll call attendance rates, which are suspected to be influenced by the suboptimal implementation of the reward and punishment system within the organization. This is a quantitative study employing a causal research approach. Primary data were collected through the distribution of questionnaires to PNPP respondents selected using purposive sampling. Variables were measured using a Likert scale, and the data were analyzed using Structural Equation Modeling - Partial Least Squares (SEM-PLS) with SmartPLS software to test validity, reliability, model fit, and hypotheses regarding direct and indirect effects between variables. The results of the study indicate that rewards have a positive and significant effect on job satisfaction, punishment has a positive and significant effect on job satisfaction, rewards have a positive and significant effect on employee performance, punishment has a positive and significant effect on employee performance, and job satisfaction has a positive and significant effect on employee performance. Furthermore, job satisfaction was found to mediate the effect of rewards on employee performance and to mediate the effect of punishment on employee performance. These findings confirm that job satisfaction acts as a psychological bridge that strengthens the relationship between the reward and punishment systems and improved performance. The implications of this study suggest that the management of Bhayangkara Hospital Semarang should implement a fair, transparent, and competitive reward system, as well as enforce punishment consistently and proportionally to improve the satisfaction and performance of PNPP.*

Keywords: *Employee Performance; Job Satisfaction; PNPP; Punishment; Reward.*

1. Introduction

In the modern workplace, organizations are required to effectively manage human resources to achieve company goals. Human resources are the most valuable asset that determines organizational success, not only through technical skills but also through motivation and job satisfaction. Amid increasingly fierce competition, companies need to create employee management systems that encourage increased productivity, loyalty, and performance. One widely implemented strategy to achieve this is a fair, transparent, and consistent reward and punishment system.

The reward and punishment system is a crucial tool in shaping employee work behavior. Rewards are given as a form of appreciation for employee achievement and contributions, while punishment aims to deter disciplinary violations or behavior that does not conform to organizational standards. A balance between these two aspects is key to creating a productive work environment. When a reward and punishment system is implemented appropriately, employees will feel appreciated and motivated to perform better, positively impacting performance. Conversely, an imbalance in the implementation of this system can lead to dissatisfaction, decrease motivation, and negatively impact productivity.

The phenomenon that occurred at the PNPP (National Police Civil Servants) at Bhayangkara Hospital in Semarang shows the challenges in maintaining employee discipline and job satisfaction. Based on observations of morning roll call attendance and other work discipline indicators, there appears to be fluctuation and even a decline in certain periods. This condition reflects the potential for declining job satisfaction, which can impact employees' sense of responsibility towards the organization. One factor that can influence this situation is the suboptimal implementation of the reward and punishment system, where rewards are not fully perceived as fair and proportional, or sanctions for violations do not provide an effective learning effect for employees. Unfulfilled expectations regarding the reward and punishment system can reduce job satisfaction, ultimately affecting the quality of employee discipline.

Furthermore, employee job satisfaction plays a crucial role as a mediating factor in the relationship between rewards and punishments and performance. Employees who are satisfied with their work environment, management policies, and the rewards they receive tend to demonstrate greater dedication and better performance. Job satisfaction acts as a mediating mechanism between rewards and punishments and performance, as both rewards and punishments influence employee satisfaction levels before impacting performance improvement or decline. Therefore, changes in job satisfaction serve as an important pathway explaining how reward and punishment policies can produce specific performance outcomes, making it an interesting topic to study as a mediating variable.

Research on employee performance is an interesting topic to explore in the context of management research, given that findings from various previous studies indicate a research gap. This necessitates further research (replication or empirical verification) to gain a more

comprehensive understanding of the relationship between customer satisfaction and loyalty. This is evidenced by the results of research conducted by several previous researchers, such as (Aini, 2020; Hanadelansa, 2023; Suak et al., 2017; Yudit et al., 2024)

Study Suak et al., (2017) which states that reward and punishment variables have been proven to have no significant effect on employee performance at Sutanraja Hotel Amurang. This indicates that the provision of rewards and punishments has not been able to significantly increase employee motivation and work productivity. This condition may be caused by an uneven and ineffective reward system, as well as punishments that actually have a negative emotional impact on employees. Therefore, management needs to re-evaluate the reward and punishment mechanisms to have a greater impact on improving employee performance.

This is in line with research that has been conducted by research results. (Aini, 2020) The results of a study on employees of PT. Hanarida Tirta Birawa Sidoarjo showed that rewards did not have a significant effect on employee performance, meaning that increasing rewards has not been able to directly improve performance. However, rewards have a positive and significant effect on job satisfaction, meaning that the higher the reward received by employees, the higher their level of job satisfaction. Furthermore, job satisfaction has a positive and significant effect on employee performance, so that satisfied employees tend to have better performance. In addition, this study also proves that job satisfaction mediates the relationship between rewards and employee performance, indicating that rewards can improve employee performance if they first increase their job satisfaction.

Research that has been conducted by Terera & Ngirande, (2014) found that rewards do not have a significant relationship with job satisfaction, the contents of the literature review actually show that rewards are theoretically a strategic factor in creating satisfaction. Rewards, both financial and non-financial, are understood as fulfilling intrinsic and extrinsic needs that logically lead to the formation of satisfaction with work. Based on this theoretical foundation, a line of thought can be constructed that when organizations are able to provide rewards that are fair, competitive, consistent, and in accordance with employee needs, then positive perceptions of work will increase, resulting in a higher level of job satisfaction. Conceptually, this paper provides an understanding that when rewards are structured fairly, competitively, and according to expectations, employees will feel more satisfied with their work because their needs for appreciation, security, and recognition are met. With this theoretical basis, the idea can be formulated that rewards have significant potential in increasing job satisfaction, thus supporting the hypothesis that the better the reward given, the higher the employee's job satisfaction.

However, this research contradicts research conducted by (Yudit et al., 2024) Research shows that reward and punishment have a positive influence on employee job satisfaction and performance. Rewards that are given fairly and commensurate with achievement can increase employee enthusiasm and satisfaction with their work, thereby encouraging them

to work better and more productively. Similarly, the application of firm but proportional punishment can foster discipline and responsibility, which ultimately contributes to improved performance. Furthermore, job satisfaction has been shown to be a significant factor strengthening the relationship between reward and punishment systems and employee performance. Therefore, balancing rewards and sanctions is an effective managerial strategy in creating a productive and high-performance work environment.

Furthermore, research from (Hanadelansa, 2023) stated the same thing, strengthening the research with the results of the study explaining that the provision of rewards and punishments has a positive and significant effect on improving employee performance at Toyota Kalla Makassar Unit Gowa. Rewards are proven to be the most dominant factor in driving performance improvement compared to punishment, because the right awards can motivate employees to achieve optimal work results. Meanwhile, punishment applied wisely also has a positive effect by fostering discipline and responsibility in work. This finding confirms that a balanced combination of reward and punishment strategies can create productive work behavior, increase intrinsic and extrinsic motivation, and strengthen a high-performance culture in the organizational environment.

The results of research conducted by (Nugroho, 2015) The main focus of both studies is to examine the influence of reward and punishment variables on employee performance, and both use a quantitative approach with multiple linear regression analysis. Both studies also start from the assumption that implementing a reward and punishment system can increase motivation and work productivity. However, there are fundamental differences in the context and direction of the research development. The previous study was conducted in a private service company with profit-oriented employee characteristics, while this study focuses on public service agencies in the health sector, where the performance dimensions are more complex because they are related to aspects of human service and professional discipline. In addition, this study develops a more comprehensive analysis model by adding the mediating variable of job satisfaction, to examine how employee satisfaction can strengthen or weaken the influence of rewards and punishment on performance.

Furthermore, research from (Dairi et al., 2020) Both studies focus on the influence of rewards and punishments on employee performance using a quantitative approach. Both also highlight the importance of implementing reward and punishment systems as motivational factors that play a role in improving employee discipline and performance in the public sector. However, there are significant differences in the context, variables, and direction of the research. (Dairi et al., 2020) placed work discipline as an intervening variable, and was conducted in government agencies in the field of culture and tourism in Sungai Penuh City, while this study placed job satisfaction as a mediating variable with a more specific context in the public service sector in the health sector, namely PNPP at Bhayangkara Hospital Semarang, where the performance dimension is not only related to administrative productivity, but also concerns the quality of humanitarian services and patient safety.

Furthermore, research has been conducted by (Hinelo et al., 2023). The main focus of the research is the same, examining the influence of reward and punishment implementation on employee performance in government agencies, and using a quantitative approach with multiple linear regression analysis. Both studies emphasize that reward and punishment systems play a significant role in increasing employee motivation and responsibility for assigned tasks. However, there are significant differences in the research findings, context, and development of the analytical models. (Hinelo et al., 2023) found that rewards significantly influence performance, while punishment does not have a significant effect partially, although both simultaneously influence employee performance. In contrast, this study develops the research by adding a mediating variable, job satisfaction to analyze more deeply how perceptions of rewards and punishments affect performance through employee psychological aspects, especially in the context of public service institutions in the health sector. In addition, the focus of this study is on the PNPP Bhayangkara Hospital Semarang, which has work characteristics based on humanitarian services and professional discipline, in contrast to the study of Hinelo et al. which focuses on drug and food control agencies with an administrative orientation and regulatory compliance.

Research conducted by (Amin et al., 2021). This study has similarities with the same focus, namely examining the influence of rewards and punishments on employee performance in government agencies using a quantitative approach. Both studies are based on the assumption that rewards and punishments are important instruments in increasing employee motivation and work responsibility. However, there are several fundamental differences between the two studies. (Amin et al., 2021) conducted at the Supervision and Service Office of the Directorate General of Customs and Excise, Type B Makassar, and the results showed that rewards had a positive but insignificant effect on performance, while punishment had a positive and significant effect, with the dominant influence coming from punishment. Meanwhile, this study focuses on PNPP at Bhayangkara Hospital Semarang, which is engaged in public health services so that the performance dimension is not only measured from productivity, but also from aspects of social responsibility and professionalism of humanitarian services. In addition, this study develops a more comprehensive model by adding a mediating variable of job satisfaction, to further examine how perceptions of rewards and punishments can affect performance through employees' feelings of satisfaction or dissatisfaction with their work.

The phenomenon that occurred in the PNPP at Bhayangkara Hospital Semarang can be seen from the target data and employee performance realization which shows that most performance indicators have not been able to achieve the set targets. Based on the PNPP Performance Target Data table, all activities have a performance target of 100%, but the performance realization from 2023 to 2025 is still below the target. In the indicator of completing main tasks and functions, performance realization only reached 82% in 2023, increasing to 84% in 2024, and 87% in 2025, so it is still categorized as not achieved. A similar thing also occurred in the indicator of completing additional tasks, where performance realization only reached 82% in 2023, increasing to 87% in 2024, and 89% in

2025. Despite the increase, this figure still does not meet the organization's performance targets.

In addition, in the indicator of completing monthly reports on time, performance realization also shows a relatively similar pattern, namely 82% in 2023, increasing to 84% in 2024, and 87% in 2025. Meanwhile, in the indicator of conducting monthly activity evaluations, performance realization was at 77% in 2023 and increased to around 88–89% in the following year. Although there is an increasing trend from year to year, overall all performance indicators are still below the 100% target that has been set, so in the statement it is still categorized as not achieved.

This condition indicates that the performance of PNPP employees at Bhayangkara Hospital, Semarang, is still not optimal. This phenomenon can be influenced by various managerial factors, one of which is the reward and punishment system implemented within the organization. Providing appropriate rewards can increase employee work motivation, while the implementation of punishment can be a control tool to ensure employees work according to established standards. In addition, job satisfaction factors also play a significant role because employees who feel satisfied with their jobs tend to have higher work enthusiasm and commitment, which has an impact on improved performance. Therefore, the phenomenon of not achieving performance targets is an important basis for conducting research on the effect of rewards and punishment on employee performance, with job satisfaction as a mediating variable at PNPP at Bhayangkara Hospital, Semarang.

In addition to these empirical findings, the dynamics of human resource management in the public service sector, including hospitals, face increasingly complex challenges. The PNPP, as part of the staffing structure at Bhayangkara Hospital in Semarang, has work characteristics that demand high discipline, responsiveness, and the ability to provide excellent service to the public. This situation requires a performance management system that is not merely administrative but capable of encouraging sustainable changes in work behavior. Therefore, the implementation of rewards and punishments has become increasingly strategic because it can influence perceptions of fairness, intrinsic motivation, and employee commitment to the organization. However, the effectiveness of this strategy depends heavily on the extent to which employees feel fairly treated and recognized for their contributions. When job satisfaction is lacking, rewards can lose their driving force, and punishment can foster resistance, ultimately reducing performance quality. Therefore, it is important to examine how rewards and punishments work through job satisfaction as a mediating variable in improving PNPP performance. PNPP performance, for example, can be seen as detailed in the morning roll call attendance list at Bhayangkara Hospital in Semarang, as follows:

Table explains the phenomenon depicted in the morning roll call attendance graph, indicating disciplinary issues that require serious attention from management. Fluctuations and a downward trend in employee attendance from January to October indicate a potential decline in job satisfaction and a weak oversight system for employee discipline. In the

context of human resource management, work discipline behavior is often influenced by the effectiveness of the reward and punishment systems implemented by the organization. If rewards are not distributed proportionally to work performance or punishment is not implemented firmly and consistently, this can reduce employees' sense of fairness and job satisfaction. This condition ultimately impacts employee performance and loyalty to the organization.

Thus, it is important to analyze how the reward and punishment system implemented at Bhayangkara Hospital Semarang affects the performance of non-civil servant employees (PNPP), and how job satisfaction acts as a mediating variable in this relationship. This study aims to provide an empirical overview of the extent to which the implementation of the reward and punishment system can improve employee satisfaction and performance. The results of this study are expected to provide a basis for management in formulating more effective, equitable, and performance-oriented human resource management policies.

2. Research Methods

This research is a causal study. Causal research is used to determine the influence or relationship between two or more variables. In other words, the researcher's intention is to discover the effect of rewards and punishments on employee performance, with job satisfaction as a mediating variable. In terms of its analytical approach, this research uses quantitative methods. Quantitative research is research that obtains data in the form of numbers, using analytical methods to calculate the data obtained. (Sekaran & Bougie, 2016) The data type in this study is primary data. The primary data collection technique in this study was by distributing a number of statements through a questionnaire filled out directly by respondents via the Google Forms platform by respondents, namely PNPP employees at Bhayangkara Hospital.

3. Results and Discussion

3.1. Rewards Have a Positive Influence on Job Satisfaction

The results of the first hypothesis test indicate that rewards have a positive and significant effect on job satisfaction in PNPP at Bhayangkara Hospital Semarang, thus the first hypothesis is accepted. This finding means that the better the reward system implemented by the organization, the higher the level of job satisfaction experienced by employees. These results align with research conducted by Aini (2020) on employees of PT. Hanarida Tirta Birawa Sidoarjo, which proved that rewards have a positive and significant effect on job satisfaction, where the higher the reward received by employees, the higher their job satisfaction.

Conceptually, Handoko (2000) emphasized that rewards are part of a comprehensive workforce development effort as a form of tangible recognition for good work performance. Meanwhile, Nawawi (2005) explained that rewards function to foster a

feeling of acceptance and recognition in the work environment, both through compensation aspects and relationships between employees. When PNPP employees feel that their contributions are appreciated through bonuses, appropriate wages, adequate benefits, promotion opportunities, and interpersonal recognition from superiors as measured by indicators developed by Tangkuman et al. (2015), their psychological needs are met, resulting in increased job satisfaction.

This finding is also supported by the theoretical argument of Terera & Ngirande (2014), who in their literature review explained that rewards, both financial and non-financial, fulfill both intrinsic and extrinsic needs, which conceptually lead to job satisfaction. Fair, competitive, and consistent rewards will increase positive perceptions of work, resulting in higher job satisfaction. Furthermore, Yudit et al. (2024) confirmed that providing fair and performance-based rewards can increase employee enthusiasm and job satisfaction. Therefore, it can be concluded that a reward system perceived as fair and proportional by PNPP at Bhayangkara Hospital Semarang is an important factor in shaping their overall job satisfaction.

3.1.1. Punishment Has a Positive Influence on Job Satisfaction

The results of the second hypothesis test indicate that punishment has a positive and significant effect on job satisfaction in PNPP at Bhayangkara Hospital, Semarang, thus accepting the second hypothesis. This finding implies that the implementation of a fair, transparent, and consistent punishment system actually contributes to increased employee job satisfaction, not the opposite. This aligns with research by Suherti et al. (2022), which found that punishment has a direct and significant effect on job satisfaction, where the better the punishment implementation, the higher the employee job satisfaction.

Theoretically, Mangkunegara (2000) explains that punishment is a form of threat of punishment aimed at improving employee behavior, ensuring compliance with regulations, and providing a learning effect for violators. When sanctions are enforced consistently and non-discriminatory, employees view the organization as an entity with fair control mechanisms, thus creating a sense of security and comfort in the workplace. Soerjono Soekanto (1999) adds that punishment functions to shape discipline, responsibility, and the personality of members, while also providing an educational effect by strengthening motivation to avoid inappropriate behavior.

In the context of this research, the punishment indicators used refer to Purwanto (2007) which include compliance with work orders, prohibitions against violations, compliance monitoring, work regulations, reprimands and warnings, and fairness and transparency in the application of sanctions. When these six aspects are perceived to be running orderly and proportionally by the PNPP at Bhayangkara Hospital Semarang, the work environment becomes more orderly, safe, and comfortable. This condition forms the basis for the formation of job satisfaction, because employees feel that the rules are applied equally

and do not harm any party. This finding is also supported by Yudit et al. (2024) who stated that the application of firm but proportional punishment can foster discipline and responsibility, which ultimately contributes to increased job satisfaction.

3.1.2. Rewards Have a Positive Influence on Employee Performance

The results of the third hypothesis test indicate that rewards have a positive and significant effect on employee performance at the PNPP at Bhayangkara Hospital in Semarang, thus accepting the third hypothesis. This finding means that the better and more targeted the reward system implemented by the organization, the higher the performance displayed by employees. These results support the research of Panekenan et al. (2019) which proved that rewards have a positive and significant effect on employee performance at the Manado Branch of Bank Indonesia, where employees who feel appreciated through bonuses, certificates, and recognition from superiors are proven to be motivated to work more effectively.

Conceptually, Handoko (2000) emphasized that rewards in human resource management practices are an important instrument for strengthening work motivation because they are able to link performance with feelings of satisfaction and appreciation. Leman (2000) added that rewards are given to individuals or groups who demonstrate certain excellence as a form of recognition for their achievements. When PNPP at Bhayangkara Hospital Semarang felt that their work achievements received a response in the form of bonuses, decent wages, adequate benefits, promotion opportunities, and recognition from superiors according to the indicators of Tangkuman et al. (2015), they were motivated to maintain and even improve their performance.

The intended performance improvement is reflected in five dimensions measured by Satwika et al. (2024): quality of task completion, quantity of work results, timeliness, effectiveness of resource use, and independence in work. Hanadelansa (2023) strengthens this finding by proving that rewards are proven to be a dominant factor in driving performance improvement compared to punishment, because appropriate rewards can motivate employees to achieve optimal work results. Thus, the findings of this study confirm that an effective reward system perceived as fair by PNPP is a powerful managerial instrument in driving performance improvement at Bhayangkara Hospital Semarang.

3.2. Punishment Has a Positive Impact on Employee Performance

The results of the fourth hypothesis test indicate that punishment has a positive and significant effect on employee performance at the PNPP at Bhayangkara Hospital in Semarang, thus accepting the fourth hypothesis. This finding indicates that the better the implementation of the punishment system within the organization, the higher the employee performance. These results align with research by Hanadelansa (2023), which demonstrated that judiciously applied punishment has a positive effect by fostering

discipline and responsibility at work. Similarly, Yudit et al. (2024) also stated that the implementation of firm but proportional punishment contributes to improved employee performance.

Theoretically, Mangkunegara (2000) explains that the main purpose of giving punishment is to make employees who violate feel deterred so that they do not repeat the same mistake. Purwanto (2007) adds that punishment given appropriately and wisely can be a stimulus for employees to improve their performance, because this method is intended to create a reluctance to commit wrong actions so that behavior can be directed towards something better. Firmness in enforcing rules through work regulations, compliance monitoring, reprimands, warnings, and the application of fair and transparent sanctions as measured by Purwanto's (2007) indicators creates a clear behavioral corridor for PNPP.

In the context of Bhayangkara Hospital Semarang as a public health service institution, consistent punishment implementation is highly relevant because the performance dimension is not only related to administrative productivity but also to service quality and professionalism, as outlined in this study, which refers to Dairi et al. (2020). With a clear punishment mechanism, PNPP is encouraged to work more carefully, increase responsibility, and minimize errors. This condition directly impacts the improvement of work quality, quantity, timeliness, effectiveness, and independence, as reflected in the performance indicators used according to Satwika et al. (2024).

3.2.1. Job Satisfaction Has a Positive Influence on Employee Performance

The results of the fifth hypothesis test indicate that job satisfaction has a positive and significant effect on employee performance at the PNPP at Bhayangkara Hospital in Semarang, thus the fifth hypothesis is accepted. This finding means that the higher the job satisfaction felt by employees, the higher the performance they show in carrying out their duties. These results support the research of Hartika et al. (2023) which proves that job satisfaction consistently has a positive and significant effect on employee performance, where employees with high levels of satisfaction tend to display a professional attitude, improve the quality of work results, and achieve performance targets more consistently.

Conceptually, Robbins (2002) defines job satisfaction as an employee's general attitude toward their work that arises when there is a match between individual expectations and the rewards provided. When PNPP at Bhayangkara Hospital Semarang feels that their work provides good satisfaction, is enjoyable, and can be enjoyed, and they feel comfortable and suited to their work as measured by the indicators of Afriyie et al. (2023), this positive psychological condition encourages the formation of productive work behavior.

Jang and Juliana (2020) emphasized that job satisfaction is key to understanding organizational behavior, while Zulkarnaen & Sofyan (2018) explained that job satisfaction is closely related to life satisfaction because most of an individual's time is spent at work. Employees who are satisfied with their jobs will show higher levels of work engagement,

strong commitment, and a desire to contribute optimally. Hartika et al. (2023) added that job satisfaction has been shown to improve performance through increased work comfort, involvement, and focus in completing tasks, all of which are reflected in the achievement of the dimensions of quality, quantity, timeliness, effectiveness, and independence of work according to the performance indicators from Satwika et al. (2024). These findings emphasize that PNPP job satisfaction is a key determinant that drives the realization of consistent and high-quality performance at Bhayangkara Hospital Semarang.

3.2.2. Rewards Have a Positive Influence on Employee Performance with Job Satisfaction as a Mediating Variable

The results of the sixth hypothesis test indicate that rewards have a positive and significant effect on employee performance, with job satisfaction as a mediating variable in the PNPP at Bhayangkara Hospital in Semarang. Therefore, the sixth hypothesis is accepted. This finding indicates that rewards not only have a direct impact on improving performance but also work indirectly through increasing job satisfaction as a mediating pathway. These results align with research by Aini (2020) which proves that job satisfaction mediates the relationship between rewards and employee performance, where rewards can improve employee performance if they first increase their job satisfaction.

Mechanistically, Nawawi (2005) explains that rewards function to foster feelings of acceptance and recognition in the work environment. When PNPP feel that the bonuses, wages, allowances, promotion opportunities, and interpersonal recognition they receive, as per the indicators of Tangkuman et al. (2015), are fair and proportional, their psychological needs such as recognition, security, and appreciation are met. The fulfillment of these psychological needs then builds job satisfaction, as measured by feelings of satisfaction, pleasure, enjoyment, and comfort with work, as per the indicators of Afriyie et al. (2023). This formed job satisfaction then becomes a driver for the emergence of intrinsic motivation, sincerity in completing tasks, and commitment to achieving higher performance standards.

Yudit et al. (2024) reinforced this finding by stating that job satisfaction is proven to be an important factor that strengthens the relationship between the reward system and employee performance. From this perspective, effective rewards will strengthen performance because job satisfaction functions as a psychological bridge that transforms rewards into improved work behavior and productivity. The practical implication of this finding for the management of Bhayangkara Semarang Hospital is that efforts to improve PNPP performance are not sufficient by simply improving the reward system instrumentally, but need to ensure that the rewards are truly perceived as fair and meaningful by employees so that they can first increase job satisfaction before ultimately driving improvements in the quality, quantity, timeliness, effectiveness, and independence of work as reflected in the performance indicators Satwika et al. (2024).

3.2.3. Punishment Has a Positive Influence on Employee Performance with Job Satisfaction as a Mediating Variable

The results of the seventh hypothesis test indicate that punishment has a positive and significant effect on employee performance, with job satisfaction as a mediating variable in the PNPP at Bhayangkara Hospital in Semarang. Therefore, the seventh hypothesis is accepted. This finding indicates that punishment not only has a direct impact on performance but also works indirectly by first increasing employee job satisfaction. These results align with research by Yudit et al. (2024), which demonstrated that job satisfaction plays a significant role in strengthening the relationship between the punishment system and employee performance.

Mechanistically, Soerjono Soekanto (1999) explains that punishment functions to shape discipline and responsibility in organizational members while providing an educational effect by strengthening motivation to avoid inappropriate behavior. Purwanto (2007) adds that punishment applied appropriately and wisely can be a stimulus for employees to improve their performance. When a punishment system that includes clear work orders, strict prohibitions, compliance monitoring, work regulations, reprimands and warnings, as well as fairness and transparency in the application of sanctions as measured by Purwanto's (2007) indicators is perceived as fair and not demeaning by PNPP, the work environment becomes more orderly and provides certainty of rules for all employees.

An orderly and fair work environment further creates a sense of security and psychological stability that contribute to job satisfaction. As emphasized by Robbins (2002), job satisfaction arises when there is a match between individual expectations and the conditions provided by the work environment. Job satisfaction formed from the perception of fairness in the application of punishment then encourages employees to work with greater discipline, responsibility, and commitment to organizational standards. Suherti et al. (2022) strengthen this argument by proving that punishment has a significant effect on job satisfaction, and Hartika et al. (2023) add that job satisfaction, in turn, consistently has a positive effect on performance. Thus, punishment applied fairly and educationally at Bhayangkara Hospital Semarang has been proven to improve PNPP performance through a mechanism of increasing job satisfaction, which is reflected in the achievement of the dimensions of quality, quantity, timeliness, effectiveness, and independence of work according to the performance indicators of Satwika et al. (2024).

4. Conclusion

Based on the research results and discussions that have been described regarding the influence of rewards and punishments on employee performance with job satisfaction as a mediating variable in PNPP at Bhayangkara Hospital Semarang, the following conclusions can be drawn: 1. Rewards have a positive and significant impact on job satisfaction in the PNPP at Bhayangkara Hospital in Semarang. This means that the better the reward system perceived by employees, whether in terms of bonuses, wages, allowances, promotion

opportunities, or interpersonal recognition, the higher their level of job satisfaction. Fair and consistent rewards meet employees' psychological needs, thus fostering job satisfaction. 2. Punishment has a positive and significant effect on job satisfaction in PNPP at Bhayangkara Hospital, Semarang. This indicates that the implementation of fair, transparent, consistent, and non-discriminatory sanctions actually creates a sense of security, work comfort, and a perception of fairness in the workplace, which in turn increases employee job satisfaction. 3. Rewards have a positive and significant impact on employee performance at the PNPP at Bhayangkara Hospital in Semarang. This means that appropriate and perceived fair rewards encourage employees to maintain and improve the quality, quantity, timeliness, effectiveness, and independence of their work. 4. Punishment has a positive and significant impact on employee performance at the PNPP at Bhayangkara Hospital in Semarang. The firm yet proportional application of punishment fosters discipline, responsibility, and compliance with work procedures, thus directly improving employee performance. 5. Job satisfaction has a positive and significant impact on employee performance at the PNPP at Bhayangkara Hospital in Semarang. Employees who are satisfied with their work demonstrate higher engagement, commitment, and work motivation, thus encouraging more consistent and high-quality performance. 6. Rewards have a positive and significant effect on employee performance, with job satisfaction as a mediating variable in the PNPP at Bhayangkara Hospital in Semarang. This finding demonstrates that perceived fair and meaningful rewards primarily increase employee job satisfaction, and this job satisfaction subsequently serves as a psychological bridge that drives sustained performance improvement. 7. Punishment has a positive and significant effect on employee performance, with job satisfaction as a mediating variable in the PNPP at Bhayangkara Hospital, Semarang. The implementation of educational and fair punishment creates an orderly work environment and fosters a sense of security, which in turn fosters job satisfaction as a foundation for improving employee performance.

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