



## The influence of Total Quality Management and Reward on employee performance at Bank BJB Sumedang Branch Office

Ade Iskandar Nasution<sup>1</sup>, Pebrianti Kamisha Dewi<sup>2</sup>, Melina Dwi Puspitasari<sup>3</sup>

<sup>1,2,3</sup>*Faculty of Islamic Economic and Business, Ma'soem University, Sumedang, Indonesia*

*\*Corresponding author email: [adeisnast15@gmail.com](mailto:adeisnast15@gmail.com)*

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### Abstract

This study aims to determine how the effect of Total Quality Management and Reward on employee performance at Bank BJB Sumedang Branch Office either partially or simultaneously. The object of research on employee performance reports at Bank BJB Sumedang Branch Office. The type of research is quantitative associative with primary data type and uses data collection techniques in the form of observation, interviews, questionnaires, and literature study. While the sampling technique is Non Probability Sampling with purposive sampling. The population is all employees at Bank BJB Sumedang Branch Office, totaling 110 people with a sample of 86 people. The results showed that there was a significant effect on the Total Quality Management variable on Employee Performance of 57.5% at Bank BJB Sumedang Branch Office, this can be seen from tcount of  $2.290 > 1.989$  with a significant value of  $0.025 < 0.05$ . There is a significant effect on the Reward variable on Employee Performance of 23.7% at Bank BJB Sumedang Branch Office, this can be seen from tcount of  $2.076 > 1.989$  with a significant value of  $0.041 < 0.05$ . There is a simultaneous effect on the Total Quality Management and Reward variables on Employee Performance of 58.1% at Bank BJB Sumedang Branch Office, this can be seen from the Fcount of  $7.214 > 2.71$  and a significant value of  $0.002 < 0.05$ , this indicates that independent variables jointly affect the dependent variable.

**Keywords:** Employee Performance, Reward, Total Quality Management.

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### 1. Introduction

The world of banking plays a significant role in the financial sector (Fauzi, 2017). Competition in the banking world which has begun to penetrate into fields within a hierarchical structure of the banking world at this time has been obtained through quite massive progress. It is hoped that this competition will act as a driving force for activists in the banking world to drive banking performance so that it moves according to the provisions set by Bank Indonesia (Utami et al., 2022).

The rapid development of banking also triggers high competitiveness. There for it is important to maintain efficiency, transparency and stability in order to encourage sustainable and more equitable economic growth through agents of service as one of the functions of a bank that must maintain excellent service. Thus, banks are required to maximize employee performance both in terms of performance and achievement. Employee performance appraisal does not only aim to evaluate performance, but also aims to set strategies and productivity for employees who will influence the company to create a good image for the company (Rahimic, 2013).

The bank's task of managing bank strategy and productivity in order to provide maximum service to customers is the main focus of employees and is demanded by companies to carry out their respective job descriptions to the fullest. Therefore, Bank BJB Sumedang Branch Office applies the Total Quality Management and Reward method to improve company quality and improve employee performance. The expected results with the use of the Total Quality Management and Reward method are that there are more regular changes to the achievement of performance and other human resources (Allen & Kilmann, 2001).

The application of the Total Quality Management method in anticipation of competition in business because it affects customer satisfaction with quality, which is the responsibility of all parts of the company (Zelnik et al., 2012). In addition to Total Quality Management, it is also necessary to apply Rewards as a support for employee benefits by motivating employees in addition to the salary they get, which explains that giving Rewards affects employee performance (Danish & Usman, 2010).

Every company needs to carry out improvements in order to improve employee performance in satisfying customers. Overall changes must be carried out in all areas within Bank BJB Sumedang Branch Office by involving every organization in it, which is a management effort in implementing Total Quality Management (Hudalah, et al.,

2022). In addition to satisfying customers, it is also necessary to satisfy employees. One of the methods to satisfy employees is by giving rewards, where this aims to motivate and can result in increased effort to achieve high levels of employee performance (Pangaribuan & Supriyanto, 2021). Following are the developments in employee performance and the number of customers at Bank BJB Sumedang Branch Office in 2017-2021:

**Table 1:** Target Achievement at Bank BJB Sumedang Branch Office

Year	Target Achievement (%)	Persentase (%)
2017	87	-
2018	89	2.29
2019	83	-6.74
2020	90	8.43
2021	96	6.66

Based on table 1, it can be seen from setting a target of 100% that the performance development of Bank BJB Sumedang Branch Office employees in 2017-2021 has fluctuated. In 2018 the target achievement increased by 89% with an increase percentage of 2.29%. In 2019 there was a decrease in target achievement of 83% with a decrease percentage of 6.74%. In 2020, there was another increase in target achievement of 90% with an increase percentage of 8.43%. In 2021, there will be an increase in target achievement of 96% with an increase percentage of 6.66%.

**Table 2:** Number of Customers at Bank BJB Sumedang Branch Office

Year	Target Achievement (%)	Persentase (%)
2017	76.978	-
2018	78.087	1.44
2019	73.680	-5.64
2020	88.990	20.77
2021	91.690	3.03

Based on table 2 above, it can be seen that the number of customers in 2017-2021 at Bank BJB Sumedang Branch Office has fluctuated. In 2018 there was an increase with a percentage increase of 1.44%, but in 2019 there was a decrease in the number of customers with a percentage of 5.64%. In 2020 there was another increase in the number of customers with a percentage of 20.77%. In 2021 it will also increase with a percentage of 3.03%.

Based on the two tables above as well as information obtained from the results of interviews with Mrs. Indri Komala as the General Secretary of Bank BJB Sumedang Branch Office, it can be seen that fluctuations occur in achieving targets and the number of customers due to the lack of optimal employee performance at Bank BJB Sumedang Branch Office. The implementation of Total Quality Management at Bank BJB Sumedang Branch Office has been going well for employee performance with organized management, but in the implementation process, improvements are still needed to suit the problems encountered. Meanwhile, reward giving is still not optimal because the reward given by the company is carried out in rotation to all employees. Some employees consider it unfair, because they assume that the performance and achievements are the same, but the results are unequal. So that it affects the performance of employees at Bank BJB Sumedang Branch Office. Based on the description above, the authors are interested in conducting research on the effect of Total Quality Management and Rewards on employee performance at Bank BJB Sumedang Branch Office.

## 2. Literature Review

### 2.1. Definition of a Bank

According to Alexander Thian (2021), explains the bank as follows:

Banks can be known as financial institutions whose main task is to raise funds and distribute funds through bank products such as current accounts, savings, time deposits, loans and other services.

The law that discusses banking is Law no. 10 of 1998 Article 1 Paragraph 2. The contents are: "Banks are business entities that collect funds from the public in the form of savings and distribute them to the public in the form of credit or other forms in order to improve the people's standard of living."

### 2.2. Definition of Total Quality Management

According to Oakland, (2003) explains that:

Total Quality Management is a strategy improvement method to achieve the desired goals and is adjusted to the needs of an organization on a regular basis with the aim of managing Human Resources (HR).

### 2.3. Definition of Reward

According to Mukhopadhyay, (2020), explains that reward is an acknowledgment or employee authority that is given by the company for the work that each employee gets, to support or motivate so that employees can maintain and be able to add better performance to the responsibilities assigned and must be completed by a certain deadline.

### 3. Methods

In this study the method used is a quantitative method with an associative approach. The objects in this study were employees of Bank BJB Sumedang Branch Office. The type of data in this study uses primary data, in which primary data is data obtained through original sources. The original source in this study means the first source where the data is obtained by first hand. The type of data can be divided into several parts depending on the type of division, in this case it is divided into two parts, namely primary data and secondary data (Su, 2014).

There are several techniques that can be used in associative quantitative data collection including observation, interviews, literature study, questionnaires. The population in this study were all employees at Bank BJB Sumedang Branch Office, totaling 110 people. The sampling technique used in this study is the Non-Probability Sampling technique in which taking a sample does not have the same chance or opportunity for the various components to be sampled (Sharma, 2017). Based on a population of 110 employees, the sample used in this study was 86 respondents, which used a purposive sampling technique, namely taking a sample data source using certain considerations (Vehovar et al., 2016).

### 4. Results and Discussion

#### 4.1. The influence of Total Quality Management and Reward on employee performance at Bank BJB Sumedang Branch Office.

Following are the calculation results from the Total Quality Management Determination Coefficient Analysis using SPSS software:

**Table 3:** Analysis of the Coefficient of Determination of Total Quality Management

Model Summary <sup>b</sup>				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.758 <sup>a</sup>	0.575	0.564	1.52790

a. Predictors: (Constant), Total Quality Management  
b. Dependent Variable: Employee performance

Based on table 3, it shows that (R<sup>2</sup>) is 0.575 or 57.5%, which means that the influence of the Total Quality Management variable (X<sub>1</sub>) on the Employee Performance variable (Y) is 57.5% and the remaining 42.5% is influenced by other factors that not variable X and Y.

Following are the calculation results from the Total Quality Management t test using SPSS software:

**Table 4:** Total Quality Management t test

Coefficients <sup>a</sup>					
		Unstandardized Coefficients		Standardized Coefficients	
Model		B	Std. Error	Beta	T Sig.
1	(Constant)	23.688	3.274		7.235 0.000
	Total Quality Management	0.189	0.082	0.242	2.290 0.025

a. Dependent Variable: Employee Performance

Based on table 4, it can be seen that the t count is 2.290 > 1.989 with a significant value of 0.025 < 0.05, so it can be concluded that H<sub>0</sub> is rejected and H<sub>1</sub> is accepted. This means that Total Quality Management has a significant effect on Employee Performance at Bank BJB Sumedang Branch Office.

#### 4.2. The effect of Reward on employee performance at Bank BJB Sumedang Branch Office.

The following is the calculation result from the Determination of Reward Coefficient Analysis using SPSS software:

**Table 5:** Analysis of the Reward Determination Coefficient

Model Summary <sup>b</sup>				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.487 <sup>a</sup>	0.237	0.218	2.04613
a. Predictors: (Constant), Reward				
b. Dependent Variable: Employee Performance				

Based on table 5, it shows that (R<sup>2</sup>) 0.237 or 23.7%, which means that the magnitude of the influence of the Reward variable (X1) on the Employee Performance variable (Y) is 23.7% and the remaining 76.3% is influenced by other factors that not variable X and Y.

Following are the calculation results from the t Reward test using SPSS software:

**Table 6:** Reward t test

Coefficients <sup>a</sup>					
Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	T	Sig.
1 (Constant)	24.374	3.279		7.434	0.010
Reward	0.175	0.084	0.221	2.076	0.041
a. Dependent Variable: Employee Performance					

Based on table 6, it can be seen that the t count is 2.076 > 1.989 with a significant value of 0.041 < 0.05, so it can be concluded that H<sub>0</sub> is rejected and H<sub>1</sub> is accepted. This means that the Reward has a significant effect on Employee Performance at Bank BJB Sumedang Branch Office.

#### 4.3. The influence of Total Quality Management and Rewards on employee performance at Bank BJB Sumedang Branch Office

Following are the calculation results from the Total Quality Management Reliability Test and Rewards on Employee Performance using SPSS software:

**Table 7:** Multiple Correlation Analysis

Model Summary <sup>b</sup>									
Mo-del	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	0.473 <sup>a</sup>	0.224	0.193	167.933	0.224	7.214	2	50	0.002
a. Predictors: (Constant), Reward, Total Quality Management									
b. Dependent Variable: Employee Performance									

Based on table 7, it can be seen that the value of multiple correlation analysis is 0.473 with a significant value of 0.002, which means that there is a moderate relationship between the Total Quality Management and Reward variables on Employee Performance.

Following are the calculation results from the Total Quality Management Reliability Test and Rewards on Employee Performance using SPSS software:

**Table 8:** Coefficients

Coefficients <sup>a</sup>					
Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	23.369	2.132		10.962	0.000
1 Total Quality Management	0.047	0.066	0.116	0.703	0.486
Reward	0.152	0.065	0.388	2.344	0.023
a. Dependent Variable: Employee Performance					

$$Y = 23.369 + 0.047 X_1 + 0.152 X_2$$

Based on table 8, as well as the equation above, it can be concluded:

1. Constant a = 23.369 if there is Total Quality Management and Rewards, the Employee Performance will increase by 23.369.
2. The value of the coefficient  $X_1 = 0.047$  states that each value of the increase in Total Quality Management by one unit will affect the increase in Employee Performance by 0.047. The coefficient is positive, meaning that there is a positive relationship between Total Quality Management and Employee Performance.
3. The value of the coefficient  $X_2 = 0.152$  states that every value of increasing the reward by one unit will affect employee performance by 0.152. The coefficient is positive, meaning that there is a positive relationship between reward and employee performance.

Following are the calculation results from the Total Quality Management Reliability Test and Rewards on Employee Performance using SPSS software:

**Table 9: Analysis of the Coefficient of Determination**

Model Summary <sup>b</sup>				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.763 <sup>a</sup>	.581	0.560	1.53521

a. Predictors: (Constant), Reward, Total Quality Management

b. Dependent Variable: Employee Performance

Based on table 9, it can be seen ( $R^2$ ) 0.581 or 58.1%, which means that the influence of the Total Quality Management ( $X_1$ ) and Reward ( $X_2$ ) variables on the Employee Performance variable ( $Y$ ) is 58.1% and the remaining 41.9% influenced by other factors not examined.

The following is the calculation result of the Total Quality Management and Reward F Test on Employee Performance using SPSS software:

**Table 10: Test F**

ANOVA <sup>a</sup>						
	Model	Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	40.691	2	20.346	7.214	.002 <sup>b</sup>
	Residual	141.007	50	2.820		
	Total	181.698	52			

a. Dependent Variable: Employee performance

b. Predictors: (Constant), Reward, Total Quality Management

Based on table 10, it can be seen that  $F_{count}$  is  $7.214 > 2.71$  and a significant value is  $0.002 < 0.05$ . This indicates that the independent variables simultaneously affect the dependent variable simultaneously. So it can be concluded that  $H_0$  is rejected and  $H_1$  is accepted.

## 5. Conclusion

Based on the results of the discussion in the previous chapters, the writer can draw several conclusions, that there is an influence of the Total Quality Management variable on Employee Performance at Bank BJB Sumedang Branch Office. This can be seen from the  $t_{count}$  of  $2.290 > 1.989$  with a significant value of  $0.025 < 0.05$ , it can be concluded that  $H_0$  is rejected and  $H_1$  is accepted. There is an influence of the Reward variable on Employee Performance at Bank BJB Sumedang Branch Office. This can be seen from the  $t_{count}$  of  $2.076 > 1.989$  with a significant value of  $0.041 < 0.05$ , it can be concluded that  $H_0$  is rejected and  $H_1$  is accepted. There is a simultaneous influence of Total Quality Management and Reward variables on Employee Performance at Bank BJB Sumedang Branch Office. This can be seen from the  $F_{count}$  of  $7.214 > 2.71$  and a significant value of  $0.002 < 0.05$ , this indicates that the independent variables jointly affect the dependent variable. So it can be concluded that  $H_0$  is rejected and  $H_1$  is accepted.

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