

HUMAN RESOURCE MANAGEMENT | RESEARCH ARTICLE

# The Influence of Reward and Punishment on Employee Discipline in Public Sector Organizations: A Systematic Literature Review

Tri Kahono<sup>1</sup>, E. Mohammad Nur Utomo<sup>2</sup>, Muh Irfandy Azis<sup>3</sup>, S. Shalahuddin<sup>4</sup>

<sup>1,2,3,4</sup> Department of Management, Faculty of Economics, Universitas Borneo Tarakan, Tarakan, Indonesia.  
Email: [kahonotrree@gmail.com](mailto:kahonotrree@gmail.com)<sup>1</sup>

## ARTICLE HISTORY

Received: January 07, 2026

Revised: February 12, 2026

Accepted: February 16, 2026

## DOI

<https://doi.org/10.52970/grhm.v6i1.2025>

## ABSTRACT

This study aims to systematically examine the literature on the effects of reward and punishment on employee discipline in public organizations. It is motivated by the phenomenon of low employee discipline, which impacts declining performance and the effectiveness of public services. The study employs a systematic literature review conducted in November 2025, following the PRISMA guidelines, and searches Google Scholar, Portal Garuda, Semantic Scholar, and DOAJ for articles. The initial screening yielded 968 articles from Google Scholar, 7 from Portal Garuda, 12 from Semantic Scholar, and 10 from DOAJ. The articles were filtered using inclusion criteria, namely, peer-reviewed articles, full-text in Indonesian, research articles, and publications from 2020 to 2025, while non-peer-reviewed articles, non-full-text articles, non-Indonesian articles, non-research articles, publications outside the specified years, studies not addressing reward and punishment in relation to employee discipline, or those with low methodological quality were excluded. The results show five main effects. First, rewards have a positive, significant effect on employee discipline and performance. Second, punishment also has a positive and significant effect when applied fairly, as it can correct behavior and enhance employee compliance. Third, rewards are more effective than punishments in creating behavioral change. Fourth, work discipline acts as an intervening variable, strengthening the effects of rewards and punishments on performance. Fifth, the proportional and fair application of rewards and punishments can increase motivation, compliance, and employee performance in public organizations.

**Keywords:** Reward, Punishment, Employee Discipline, Public Organizations.

**JEL Code:** M12, J24.

## I. Introduction

Public organizations are institutions that function to provide services to the community and ensure that public needs are fulfilled in an effective, efficient, and accountable manner (Futum Hubaib, 2021). These organizations play a strategic role in supporting social welfare, governance, and public trust by delivering quality services. In carrying out these responsibilities, public organizations require competent, professional human resources who can work in accordance with established service standards. Employee quality is therefore considered an indicator of organizational success in achieving predetermined objectives (Maksin et al., 2022). High-quality employees are expected to show discipline, responsibility, and commitment to



organizational rules. Without disciplined employees, even well-designed organizational systems may fail to achieve optimal performance. Despite having formal structures, regulations, and standard operating procedures, public organizations continue to face challenges in managing their employees. One of the most prominent challenges is inappropriate work behavior that violates organizational rules or standard operating procedures (Nangka et al., 2024; Timbuleng et al., 2023). Disciplinary problems are frequently observed, including tardiness, delaying task completion, absenteeism, and low compliance with administrative procedures. These issues show that employee behavior control mechanisms have not been optimally implemented. If such conditions persist, organizational performance and service quality may deteriorate over time. Therefore, public organizations need practical managerial approaches that can guide employees to behave and perform in line with organizational expectations. One commonly applied managerial approach to address employee discipline issues is the provision of rewards and punishments (Harahap et al., 2020). Rewards and punishments serve as behavioral control tools widely used in human resource management systems (Hidayat, 2023). Rewards are designed to encourage positive behavior, reinforce desirable performance, and increase employee motivation. Meanwhile, punishments serve as corrective consequences for violations, aiming to prevent repeat offenses and improve discipline. This dual mechanism seeks to maintain a balance between motivation and control within organizations. When appropriately implemented, reward and punishment systems can significantly improve employee performance and organizational effectiveness.

However, in practical implementation, reward systems in public organizations often encounter various problems. Some employees perceive that rewards are distributed unevenly or are not aligned with actual performance achievements (Irawan et al., 2020). Such perceptions can lead to dissatisfaction, reduced motivation, and a decline in work enthusiasm. High-performing employees may feel undervalued, while low-performing employees may feel discouraged from improving. In the long term, ineffective reward allocation can hinder self-development efforts and reduce overall productivity. Consequently, reward systems must be carefully designed to ensure fairness, transparency, and performance-based evaluation. In addition to reward-related issues, implementing punishment in public organizations also poses significant challenges. Employees who violate rules sometimes do not receive appropriate or consistent sanctions, resulting in weak enforcement of work norms (Rahmah et al., 2024). This situation can lead to declining compliance and weaken the morale of employees who consistently follow the rules. Moreover, perceived injustice in the application of punishment may damage interpersonal relationships and trust within the organization. If left unaddressed, the organizational culture may deteriorate due to the absence of clear consequences for violations. Therefore, punishments must be applied proportionally, consistently, and transparently to maintain organizational discipline (Syururi et al., 2025). Although numerous empirical studies have examined rewards, punishments, and employee discipline, there remains a lack of comprehensive synthesis focusing specifically on public organizations. Existing studies often analyze rewards and punishments separately or within limited organizational contexts. There is still a gap in understanding how reward and punishment systems jointly influence employee discipline in public-sector environments. A systematic examination is required to identify consistent patterns, dominant factors, and contextual influences. By integrating findings from multiple studies, a literature review can provide a broader and more structured understanding of this relationship. Such an approach is particularly important for public organizations that operate under bureaucratic and regulatory constraints.

Based on these considerations, this study adopts a systematic literature review to analyze previous research on the effects of rewards and punishments on employee discipline in public organizations. The central research question guiding this study is: How do reward and punishment systems influence employee discipline and performance in public organizations? This question is formulated to clarify the mechanisms through which rewards and punishments shape employee behavior. In addition, this study seeks to identify which of the two mechanisms is more dominant in improving discipline. By addressing this research question, the study aims to contribute to the development of effective human resource management strategies in the

public sector. Therefore, this study aims to examine the effect of rewards and punishments on employee discipline in public organizations through a systematic and comprehensive review of the literature.

## II. Literature Review

A reward is a form of appreciation that organizations provide to employees as compensation for the contributions, commitment, and quality of work they demonstrate (Irawan et al., 2020). In the context of public sector human resource management, reward systems are designed not only to compensate employees but also to reinforce behaviors that align with institutional objectives. The provision of rewards aims to increase motivation and encourage employees to maintain or even improve their performance. In practice, rewards may take the form of financial incentives such as salaries, bonuses, and allowances, as well as non-financial rewards such as social recognition, acknowledgment, opportunities for career development, and a supportive work environment (Maramis et al., 2024). These different forms of reward show that organizations adopt both extrinsic and intrinsic motivational approaches. Well-designed reward systems create a sense of fairness and strengthen positive relationships between employees and the organization.

However, the effectiveness of reward systems depends heavily on perceptions of fairness and transparency. Irawan et al. (2020) emphasize that when rewards are perceived as unequal or not performance-based, their motivational impact decreases significantly (Irawan et al., 2020). Meanwhile, Maramis et al. (2024) highlight the importance of integrating financial and non-financial rewards to sustain long-term employee engagement (Maramis et al., 2024). When critically compared, these studies suggest that reward effectiveness is not determined solely by its form, but also by procedural justice and alignment with performance evaluation systems. Thus, rewards serve as managerial tools to guide employee behavior toward organizational objectives, but only when implemented consistently and fairly. When rewards are distributed fairly, productivity, loyalty, and job satisfaction tend to increase, whereas inconsistent implementation can lead to dissatisfaction. In contrast to rewards, punishment is a corrective action imposed on employees when violations of rules occur, discipline declines, or work behavior fails to meet expectations (Setiarini et al., 2025). While rewards emphasize positive reinforcement, punishment focuses on behavioral correction and deterrence. The purpose of punishment is not to exert pressure, but to function as a means of improvement and education so that mistakes are not repeated. Punishment can be applied at various levels, ranging from verbal warnings and administrative sanctions to more severe penalties for serious violations.

The implementation of punishment must consider fairness, proportionality, and consistency in order to avoid resistance within the organization (Sofastuti & Andriani, 2025). Setiarini et al. (2025) underline that punishment becomes effective when it is clearly communicated and based on objective standards. (Setiarini et al., 2025). Similarly, Sofastuti and Andriani (2025) argue that inconsistent sanctions may weaken organizational authority and reduce employee trust. A critical comparison of these studies shows that punishment is effective not because of its severity, but because of its consistency and perceived fairness. When punishment is applied appropriately, employees become more aware of the consequences of their actions, thereby fostering a strong culture of discipline (Sofastuti & Andriani, 2025). However, excessive or biased punishment may produce counterproductive effects, such as decreased morale and organizational commitment. Performance refers to employees' work outcomes, as measured by quality, quantity, timeliness, effectiveness, and the level of independence in completing tasks (Sam Yang et al., 2020). In public organizations, performance is closely related to service delivery effectiveness and institutional accountability. Performance also reflects how well individuals apply their skills, experience, and sense of responsibility in their work. According to Yang et al. (2020), performance indicators must be measurable and aligned with institutional goals to ensure accurate evaluation. (Sam Yang et al., 2020). Performance improvement is generally influenced by various factors such as motivation, competence, the work environment, and reward systems (Hanggono, 2024). Hanggono (2024) highlights that motivation derived from organizational policies significantly determines employees' work outcomes. When critically examined alongside reward and punishment theories, performance appears not only as an outcome variable but also as a reflection of the

effectiveness of disciplinary systems. Good performance demonstrates employees' ability to contribute to achieving organizational goals, while poor performance may signal weaknesses in managerial control systems. Performance measurement is therefore necessary to assess the extent to which tasks are carried out optimally and to serve as a basis for employee improvement or development. Through performance evaluation, organizations can ensure that each employee performs effectively and adds value in accordance with the demands of their roles and positions (Hanggono, 2024). Based on the reviewed studies, rewards are generally associated with increased motivation and performance (Irawan et al., 2020; Maramis et al., 2024), while punishment functions as a corrective mechanism to maintain rule compliance (Setiarini et al., 2025; Sofastuti & Andriani, 2025). Additionally, employee performance is shaped by motivational and managerial factors, including reward systems (Hanggono, 2024; Sam Yang et al., 2020). Although these studies provide valuable insights, they tend to examine variables separately rather than offering a comprehensive synthesis of how reward and punishment jointly influence employee discipline.

Furthermore, several cited studies, particularly those from 2020, provide foundational insights but may not fully capture the most recent developments in public sector human resource management. More recent works, such as Maramis et al. (2024), Setiarini et al. (2025), and Sofastuti & Andriani (2025), highlight the increasing emphasis on fairness, transparency, and procedural justice in disciplinary systems. (Maramis et al., 2024; Setiarini et al., 2025; Sofastuti & Andriani, 2025). However, there is still a lack of systematic literature reviews that consolidate these findings specifically within public organizational contexts. This reveals a clear research gap that calls for a structured synthesis of existing empirical evidence. Therefore, the existing literature informs the present study by showing that both reward and punishment influence employee outcomes. However, it does not comprehensively explain their comparative dominance or combined impact on employee discipline in public organizations. This gap directly leads to the research question of this study: how do reward and punishment systems influence employee discipline and performance in public organizations? By conducting a systematic literature review, this research seeks to bridge that gap and provide an integrated understanding of disciplinary mechanisms in the public sector.

### III. Research Method

This systematic literature review was conducted in November 2025 using the Preferred Reporting Items for Systematic Reviews and Meta-Analysis (PRISMA) guidelines. The timeline has been adjusted to reflect the actual period of data collection and analysis. The PRISMA framework was selected to ensure transparency, replicability, and methodological rigor in the identification, screening, and selection of relevant studies. This approach systematically documents the research process and minimizes selection bias. The stages included identification, screening, eligibility assessment, and final inclusion.

#### 3.1. Keyword Selection

The keywords used in this study were "Effect," "Provision," "Reward," "Punishment," "Employee Discipline," and "Public Organization." These keywords were selected based on three considerations: (1) alignment with the research question, (2) frequency of appearance in prior empirical studies, and (3) conceptual relevance to human resource management literature. Before conducting the full search, the keywords were piloted in Google Scholar to evaluate their relevance and the accuracy of the results. The pilot search showed that combining "reward AND punishment AND employee discipline" yielded more focused results than single-term searches. Therefore, Boolean operators were used to refine the search. The search strings used included combinations such as: ("reward" AND "punishment") AND ("employee discipline" OR "work discipline") AND ("public organization" OR "public sector"). Boolean operators (AND, OR) were used to systematically narrow or broaden the search scope. This strategy helped eliminate irrelevant results and increase the precision of article identification. The searches were conducted through national e-resources and scientific repositories, namely Google Scholar, Portal Garuda, Semantic Scholar, and DOAJ. The initial search

yielded 997 articles, comprising 968 from Google Scholar, 7 from Portal Garuda, 12 from Semantic Scholar, and 10 from DOAJ.

### 3.2. Theoretical Framework

This study is grounded in Reinforcement Theory, which holds that behavior is shaped by consequences, including positive reinforcement (reward) and negative reinforcement (corrective sanctions, or punishment). In addition, the research is supported by Human Resource Management theory, which emphasizes performance management, motivation systems, and disciplinary control mechanisms within organizations. Reward is conceptualized as a positive reinforcement mechanism that strengthens desired behaviors, while punishment is a corrective tool that reduces undesirable behaviors. Employee discipline is viewed as a behavioral outcome shaped by organizational control systems, and performance represents the measurable manifestation of disciplined behavior. The selected articles were analyzed in relation to these theoretical perspectives. Specifically, studies were examined to determine whether they conceptualized reward as motivational reinforcement, punishment as corrective enforcement, and discipline as a mediating or outcome variable. This theoretical alignment ensures that the literature synthesis is not merely descriptive but analytically grounded in established theories of organizational behavior.

### 3.3. Inclusion, Exclusion, and Quality Assessment Criteria

The articles obtained from the initial search were subjected to a first-stage screening based on the following inclusion criteria: peer-reviewed literature, full-text articles in Indonesian, research articles, and publications issued between 2020 and 2025. The exclusion criteria included articles that were not peer-reviewed, were not available in full text, or were not written in Indonesian. Editorials, reviews, reports, undergraduate theses, and master's theses were excluded to maintain scientific rigor. To assess methodological quality, each article was evaluated using five criteria: (1) clarity of research objectives, (2) clear identification of variables, (3) appropriateness of research design, (4) transparency of data collection methods, and (5) adequacy of data analysis techniques. Articles that did not clearly describe these components were classified as having low methodological quality and were excluded. This structured quality appraisal reduces subjectivity in article selection.

### 3.4. Screening and Sampling Process

After the first-stage screening, the number of eligible articles was reduced to 831, comprising 816 from Google Scholar, 6 from Portal Garuda, 2 from Semantic Scholar, and 7 from DOAJ. The sampling approach used in this study was systematic purposive sampling rather than random sampling. Random sampling was not employed because systematic literature reviews prioritize relevance and methodological rigor over statistical representativeness. Articles were sequentially reviewed based on title, abstract, and full-text evaluation. A second-stage screening was conducted to select articles that specifically discuss the effects of rewards and punishments on employee discipline in public organizations. From this selection, 23 articles were obtained. To determine the "most relevant" articles for in-depth analysis, three additional criteria were applied: (1) explicit examination of both reward and punishment variables simultaneously, (2) focus on public sector or government institutions, and (3) use of quantitative or mixed-method designs that allowed measurable effect analysis. Based on these criteria, five articles were identified as the most relevant for comprehensive synthesis. This multi-layered selection process minimizes subjective interpretation and strengthens analytical consistency.

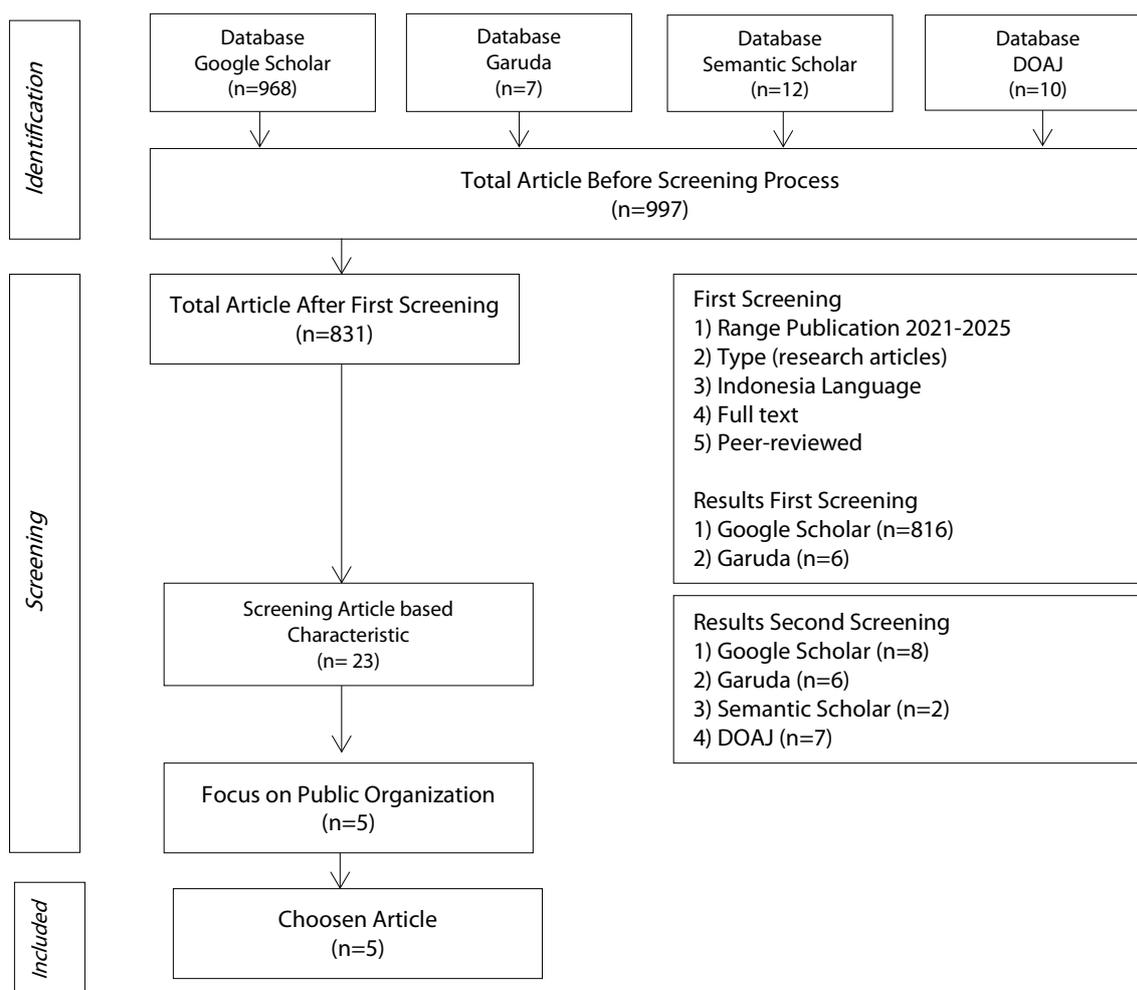
### 3.5. Data Extraction and Analysis Tools

Data extraction was conducted using a structured extraction table that included author name, publication year, research design, sample size, variables examined, statistical techniques, and key findings. Microsoft Word and Microsoft Excel were used to systematically organize, categorize, and compare extracted data. Thematic analysis was employed to identify recurring patterns across studies, particularly regarding the dominance of reward versus punishment, the mediating role of discipline, and performance outcomes. The analytical process involved coding each study's findings into thematic categories aligned with the theoretical framework. This approach ensured analytical rigor and conceptual coherence. By combining PRISMA procedures, structured quality appraisal, systematic sampling, and thematic analysis, the study maintains methodological transparency and replicability.

## IV. Results and Discussion

### 4.1. Result

The systematic review involved identification, screening, eligibility assessment, and inclusion, resulting in five articles that met the inclusion criteria and were relevant to the research objectives. Figure 1 shows the PRISMA process applied in this study.



**Figure 1. Prisma Diagram Results**

Based on the thematic analysis presented in Table 1, five themes were identified that explain the patterns in the relationships among reward, punishment, and employee discipline and performance.

**Table 1. Thematic Analysis (n = 5)**

| Theme  | Article Number |
|--|----------------|
| Rewards have a positive and significant effect on improving employee discipline/performance          | 1, 2, 3, 4, 5  |
| Punishment has a positive and significant effect on employee discipline/performance                  | 1, 2, 4        |
| Rewards are more dominant than punishment in influencing employee discipline/performance             | 2, 3, 5        |
| Work discipline acts as an intervening variable that strengthens the effect of reward and punishment | 4              |
| Fair implementation of reward and punishment increases employee motivation and compliance            | 1, 2           |

The first theme shows that rewards have a positive, significant effect on both discipline and performance, as demonstrated by all five articles. The second theme states that punishment also has a positive and significant effect on employee discipline and performance, as shown by three articles that indicate that the application of sanctions can improve discipline when appropriately implemented. The third theme emphasizes that rewards are more influential than punishment in improving employee discipline or performance, as supported by three articles that identify rewards as a key driver of motivation. The fourth theme shows that work discipline acts as an intervening variable, strengthening the effects of rewards and punishment on performance, indicating that both have a direct impact. The fifth theme states that the fair implementation of rewards and punishments can increase employee motivation and compliance, as two articles emphasize procedural justice in performance evaluation systems.

**Table 2. Data Extraction (n=5)**

| No | Title, Researchers, Publication Year  | Sample, Instrument, and Research Design  | Results   |
|----|---|--|---|
| 1  | The Influence of Reward and Punishment on Employee Performance at the Regional Secretariat of Parepare City. Researcher: Arman Arifin (2022)<br>(A. Arifin, 2022)                     | Sample: 88 employees.<br>Instrument: Questionnaire.<br>Design: Quantitative; Multiple Linear Regression (SPSS 21). | Reward has a significant positive effect ( $t=2.388$ ; $sig=0.019$ ) and punishment is also significant ( $t=3.672$ ; $sig=0.000$ ). Simultaneously affects performance ( $F=6.098$ ). Reward-punishment improves employee motivation and performance.                        |
| 2  | Analysis of Improving Reward and Punishment Policies on Employee Work Discipline at BKN Medan. Researchers: Daud Arifin, Noni Ardian, Hesti Triana (2024)<br>(D. Arifin et al., 2024) | Sample: 72 employees.<br>Instrument: Questionnaire.<br>Design: Quantitative; Multiple Linear Regression.           | Reward and punishment have a significant simultaneous effect ( $F=5.320$ ; $sig=0.000$ ). Partial: punishment is significant ( $t=1.955$ ; $sig=0.034$ ), reward is significant ( $t=2.780$ ; $sig=0.047$ ). Reward is the most dominant factor in improving work discipline. |
| 3  | The Influence of Reward and Punishment on Employee Discipline. Researchers: Agus Bandiyono, Kemas Fahmi Hamzah, Nia Ainin Hidayah (2021)  | Sample: 30 employees of KPP Madya Palembang.   | Reward has a significant positive effect ( $t=7.387$ ; contribution of 72.9%). Punishment is positive but not significant ( $t=1.005$ ; contribution of 18.8%). Reward is   |

| No | Title, Researchers, Publication Year  | Sample, Instrument, and Research Design   | Results   |
|----|---|---|---|
|    | (Bandiyono et al., 2021)  | Instrument:<br>Questionnaire.<br><br>Design: Quantitative;<br>Multiple Linear<br>Regression (SPSS 21).  | the strongest factor in improving Civil Servant (ASN) discipline.   |
| 4  | The Influence of Reward and Punishment on Employee Performance with Work Discipline as an Intervening Variable at the East Java Provincial Health Office. Researchers: Dycthia Bernada Olivia, Marsudi Lestariningsih (2022)<br><br>(Olivia & Lestariningsih, 2022) | Sample: 72 Civil Servants (PNS).<br><br>Instrument:<br>Questionnaire.<br><br>Design: Quantitative;<br>Path Analysis (SPSS 25).                        | The reward is significant for performance ( $\$sig=0.026\$$ ). Punishment is significant ( $\$sig=0.013\$$ ). Work discipline is significant and serves as an intervening variable, strengthening the influence of rewards and punishments on performance.        |
| 5  | The Influence of Reward and Punishment on the Performance of Madrasah Ibtidaiyah Sains Baiturrahman Jatnangor Employees. Researcher: Evi Sofiati (2021)<br><br>(Sofiati, 2021)  | Sample: 30 employees.<br><br>Instrument:<br>Questionnaire.<br><br>Design: Descriptive & Explanatory Survey;<br>Cross-sectional<br>Causality Analysis. | Reward and punishment have a simultaneous effect on performance. Partial: reward is more dominant ( $\$t=2.817\$$ ; 27.33% direct and 64.22% total contribution). Punishment is small and only supportive. Reward effectively increases employee professionalism. |

The first article, entitled “The Effect of Reward and Punishment on Employee Performance at the Regional Secretariat of Parepare City,” by Arifin (2022), involved 88 respondents and employed a survey method using questionnaires, analyzed using multiple linear regression in SPSS version 21—the research design aimed to measure the partial and simultaneous effects of reward and punishment on employee performance. The findings show that reward had a positive and significant effect on employee performance, with a calculated t-value of 2.388 exceeding the t-table value of 1.98827 and a significance level of 0.019, which is below the 0.05 threshold. This result statistically confirms that reward contributes meaningfully to performance improvement rather than occurring by chance. In addition, punishment also showed a significant effect, with a calculated t-value of 3.672 and a significance level of 0.000. These findings suggest that both motivational and corrective mechanisms operate simultaneously in shaping employee outcomes. Furthermore, the simultaneous test in Arifin (2022) showed that reward and punishment together influenced employee performance, as shown by a calculated F-value of 6.098 exceeding the F-table value of 3.10. This means that, when implemented collectively, reward and punishment provide greater explanatory power in predicting performance variations. The statistical evidence suggests that performance improvement in the Regional Secretariat of Parepare City is not driven by a single factor but by the interaction between appreciation and disciplinary systems. The study concludes that appropriately implemented rewards and punishments directly enhance performance by increasing motivation and correcting behavior. Thus, the findings highlight the importance of managerial balance in public sector human resource practices.

The second article, entitled “Analysis of the Improvement of Reward and Punishment Policies on Employee Work Discipline at the National Civil Service Agency (BKN) Medan, North Sumatra” by Arifin et al. (2024), involved 72 respondents selected using the Slovin formula. The study used multiple regression analysis to determine the extent to which rewards and punishments influence work discipline. The simultaneous test yielded an F-value of 5.320 and a significance level of 0.000, indicating that both variables together

significantly affect employee discipline. This statistical outcome confirms that the combination of appreciation and sanction mechanisms plays an essential role in regulating work behavior. The findings reinforce the importance of structured personnel policies within national civil service institutions. In partial testing, Arifin et al. (2024) found that punishment had a significant effect ( $t = 1.955$ ,  $p = 0.034$ ), while reward also had a significant effect ( $t = 2.780$ ,  $p = 0.047$ ). Although both variables were significant, reward emerged as the more dominant factor influencing work discipline. This dominance suggests that positive reinforcement mechanisms may produce more substantial motivational effects compared to sanction-based approaches. The study also emphasizes that fair reward distribution and consistent punishment, aligned with BKN regulations, are essential to strengthening discipline. Therefore, policy clarity and enforcement consistency are critical determinants of disciplinary outcomes.

The third article, entitled "The Effect of Reward and Punishment on Employee Discipline" by Bandiyono et al. (2021), involved 30 respondents from a population of 110 employees at KPP Madya Palembang. The study used multiple linear regression in SPSS 21 to examine the relationships among the variables. The results showed that reward and punishment simultaneously influence employee discipline. The reward partially had a positive and significant effect, with a calculated  $t$ -value of 7.387 exceeding the 2.042 threshold and accounting for 72.9% of the disciplinary improvement. This high contribution rate indicates that rewards were the primary factor shaping employee discipline in this institution. In contrast, punishment in Bandiyono et al. (2021) showed a positive but statistically insignificant effect, with a calculated  $t$ -value of 1.005, which is lower than the 2.042 cutoff and accounts for 18.8%. Although punishment contributed positively, the lack of statistical significance suggests its influence was weaker than that of reward. This finding shows that employees at KPP Madya Palembang responded more strongly to appreciation mechanisms than to corrective sanctions. Nevertheless, punishment still played a supportive role in reinforcing compliance with organizational rules. The study concludes that rewards were more effective than punishment in improving employee discipline in the observed context.

The fourth article, entitled "The Effect of Reward and Punishment on Employee Performance with Work Discipline as an Intervening Variable at the East Java Provincial Health Office," by Olivia and Lestariningsih (2022), employed a quantitative approach using simple random sampling and involved 72 civil servants. The researchers used path analysis to examine both direct and indirect effects among variables. The results showed that reward, punishment, and work discipline each had significant and positive effects on employee performance. The reward showed significance ( $p=0.026$ ), while punishment showed significance ( $p=0.013$ ). These results show that both appreciation and disciplinary mechanisms contribute directly to performance enhancement. Moreover, Olivia and Lestariningsih (2022) found that reward and punishment also had significant indirect effects on performance through work discipline as an intervening variable. This means that part of the performance improvement occurred because reward and punishment strengthened employee discipline first, which then influenced performance outcomes. The mediating role of discipline highlights the structural relationship between motivational tools and work behavior. The findings suggest that performance improvement strategies in health sector institutions should integrate disciplinary development into reward and punishment systems. Thus, discipline serves as a bridging variable that connects human resource policies to measurable outcomes.

The fifth article, entitled "The Effect of Reward and Punishment on Employee Performance" by Sofiati (2021), involved 30 employees of Madrasah Ibtidaiyah Sains Baiturrahman Jatinangor. The study used descriptive and explanatory survey methods, along with cross-sectional causal analysis, to examine relationships among variables. The results showed that rewards and punishments simultaneously had a significant effect on employee performance. This simultaneous effect confirms that both variables collectively influence work outcomes within educational institutions. The findings also provide quantitative evidence supporting integrated management practices. Partially, Sofiati (2021) found that reward was more dominant, with a direct contribution of 27.33% and a calculated  $t$ -value of 2.817 exceeding 1.67. Punishment contributed 17.19% directly, with a calculated  $t$ -value of 1.241 exceeding 1.67, although its influence was negligible. In total, reward contributed 64.22% to performance improvement, whereas punishment contributed 24.08%.

These results show that consistent reward systems are more effective in encouraging professionalism and performance among employees in educational settings. However, punishment still reinforced work discipline and organizational norms. Collectively, the five reviewed studies show varying degrees of influence but consistently highlight the strategic importance of reward and punishment mechanisms in shaping employee discipline and performance across public administrative, health, civil service, taxation, and educational institutions.

#### 4.2. Discussion

Based on the results of the literature analysis, five major patterns emerge regarding the implementation of rewards and punishments in employee discipline and performance within Indonesian public sector institutions, specifically regional secretariats, civil service agencies, provincial health offices, tax offices, and public educational institutions examined in this review. First, reward consistently shows a positive and statistically significant influence on employee discipline and performance. Arifin (2022) shows that rewards make a significant contribution to improving employee performance at the Regional Secretariat of Parepare City, with a calculated t-value of  $2.388 > 1.98827$  and a significance level of 0.019. This statistical significance ( $p < 0.05$ ) indicates that the probability of the relationship occurring by chance is less than 5%, suggesting that reward genuinely contributes to measurable performance improvement. This finding aligns with Arifin et al. (2024), who involved 72 respondents and found that rewards were the dominant factor in improving work discipline among employees at BKN Medan. (A. Arifin, 2022; D. Arifin et al., 2024).

Furthermore, Bandiyono et al. (2021) found that rewards accounted for 72.9% of the improvement in employee discipline at KPP Madya Palembang, making them the most dominant factor compared to punishment. Sofiati (2021) also found a direct contribution of reward of 27.33% with a calculated t-value of  $2.817 > 1.67$ , indicating its effect on improving employee professionalism. In practical terms, these findings suggest that employees respond strongly to appreciation mechanisms such as recognition, incentives, and career opportunities. Syafiq (2021) also showed that reward had a positive effect on employee performance, with a significance value of  $< 0.05$ . Although statistical indicators differ across studies, the consistent pattern across institutions shows that structured reward systems can meaningfully shape employee discipline and performance outcomes. Susiyami (2025) reinforced this conclusion by reporting a significant t-value of 2.127 with a significance level of 0.037, further confirming that reward is an effective managerial instrument in public organizations ((Bandiyono et al., 2021; Susiyami & Widarta, 2025; Syafiq, 2021).

Second, punishment also has a positive and significant effect on employee discipline and performance in several of the institutions examined. Arifin (2022) found that punishment had a significant effect, with a calculated t-value of 3.672 and a significance level of 0.000. A significance value close to zero provides strong statistical evidence that punishment contributes to behavioral correction rather than being a coincidental association. Similarly, Arifin et al. (2024) found punishment to be marginally significant, with a t-value of 1.955 and a p-value of 0.034. Olivia and Lestariningsih (2022) also found punishment significant ( $\text{sig} = 0.013$ ) in improving performance at the East Java Provincial Health Office (A. Arifin, 2022; D. Arifin et al., 2024; Olivia & Lestariningsih, 2022). These findings are supported by Aulia et al. (2024), who showed that punishment increases employee alertness and compliance with organizational regulations. Maulida (2022) further explains that punishment serves as negative reinforcement when appropriately implemented. However, it is important to clarify that punishment in this context does not refer to arbitrary or excessive sanctions. Instead, punishment refers to disciplinary actions that are applied in accordance with established organizational regulations and ethical standards. When sanctions are consistently and proportionately implemented, they help maintain discipline and reinforce organizational norms. Thus, punishment functions as a corrective control mechanism within structured public institutions rather than as a coercive instrument.

Third, several studies show that rewards are more influential than punishments in shaping employee discipline and performance. Arifin et al. (2024) identified reward as the most dominant factor in improving work discipline at BKN Medan. Bandiyono et al. (2021) reported that reward accounted for 72.9%, while

punishment accounted for only 18.8%. Sofiati (2021) similarly found that reward accounted for 64.22%, compared to punishment's 24.08%. These comparisons show that while punishment has corrective value, reward tends to generate stronger motivational energy among employees. Employees appear more responsive to positive reinforcement mechanisms than to sanction-based approaches. (D. (Arifin et al., 2024; Bandiyono et al., 2021; Sofiati, 2021). Motivational dynamics within public-sector institutions may explain this dominance of rewards. Positive reinforcement encourages voluntary compliance, internal motivation, and long-term behavioral change, whereas punishment primarily produces short-term corrective responses. Nevertheless, it would be inaccurate to dismiss punishment entirely. Bandiyono et al. (2021) found that punishment was positive but statistically insignificant, suggesting that its effectiveness may depend on organizational culture, leadership style, and implementation quality. Therefore, reward appears to be more sustainable as a strategic human resource tool, particularly in structured government agencies and educational institutions (Bandiyono et al., 2021). Fourth, work discipline acts as an intervening variable, strengthening the relationship between rewards, punishments, and performance outcomes. Olivia and Lestariningsih (2022) showed that rewards and punishments have both direct and indirect effects on performance through work discipline. Dihan and Hidayat (2023) found that reward had a significance level of 0.003 on work discipline, and punishment had a significance level of 0.000. These findings statistically show that discipline functions as a behavioral bridge linking managerial policies to measurable performance outcomes. Fareira and Ar (2024) also identified work discipline as a mediator in the punishment–performance relationship. (Fareira & AR, 2024; Hidayat, 2023; Olivia & Lestariningsih, 2022). In addition to functioning as an intervening variable, work discipline is recognized as a core component of human resource management in public organizations (Mu'ah et al., 2023). Suendro (2025) and Alwaidin et al. (2025) show that discipline improves when rewards are performance-based and punishments are objectively administered. Setianingsih (2025) found that financial allowances and recognition were perceived as more potent motivators than administrative sanctions. This suggests that organizational systems that integrate reward structures with disciplinary standards create more stable behavioral outcomes. Consequently, discipline should not be viewed merely as compliance, but as an outcome shaped by balanced managerial strategies. (Alwaidin et al., 2025; Ginanjar Suendro, 2025; Setianingsih, 2025).

Fifth, the fair and consistent application of rewards and punishments increases employee motivation and compliance. Arifin (2022) and Arifin et al. (2024) show that employees respond positively when policies are applied without discrimination. Syururi (2025) found that salary, bonuses, and recognition significantly increase motivation when implemented fairly. In this study, fair punishment is defined as sanctions that are proportional to the violation, transparently communicated, consistently applied, and procedurally just in accordance with organizational regulations. When punishment meets these criteria, employees perceive it as legitimate rather than arbitrary. (A. Arifin, 2022; D. Arifin et al., 2024; Syururi et al., 2025). However, this review also identifies several limitations within the cited studies. Some studies relied on relatively small sample sizes, such as 30 respondents. (Bandiyono et al., 2021; Sofiati, 2021), which may limit the generalizability of findings. In addition, most studies employed cross-sectional quantitative designs, making it difficult to assess long-term behavioral change. One study found that punishment was statistically insignificant. (Bandiyono et al., 2021), indicating that contextual factors may influence effectiveness. Therefore, while the evidence supports the importance of reward and punishment, results should be interpreted within institutional and methodological boundaries.

From a practical perspective, several actionable recommendations can be derived. Public sector leaders should prioritize structured reward systems tied to measurable performance indicators. Incentives should include not only financial bonuses but also career development opportunities and public recognition. Punishment systems should be codified clearly in written regulations to ensure transparency and proportionality. Organizations should also regularly evaluate disciplinary data to ensure fairness and procedural justice. The synthesis of findings shows that reward plays a more dominant motivational role than punishment across the public administrative and educational institutions examined. Punishment remains important as a corrective mechanism, but must be implemented proportionally and transparently. Rather

than viewing reward and punishment as opposing mechanisms, public organizations should integrate them within a balanced human resource management framework. This review suggests that sustainable employee discipline and performance are best achieved through structured, positive reinforcement, supported by procedurally just disciplinary systems. Future research should explore longitudinal designs and broader institutional contexts to strengthen causal inference and enhance policy applicability.

## V. Conclusion

This literature review synthesizes empirical evidence demonstrating that rewards and punishments function as complementary managerial control mechanisms that shape employee discipline and performance. Across the studies analyzed, reward consistently shows a more substantial, more sustained impact, primarily by strengthening intrinsic motivation, professional commitment, and goal alignment. Punishment, while statistically significant in several contexts, operates more as a corrective and regulatory instrument that reinforces organizational standards. The findings show that performance improvement is not merely the result of sanctions or incentives alone, but of how both mechanisms are strategically integrated within organizational systems. A key insight emerging from this review is the mediating role of work discipline. Rather than acting as isolated variables, reward and punishment influence performance indirectly by shaping disciplined work habits, structured behavior, and rule compliance. This suggests that organizations seeking long-term performance improvement should focus on cultivating discipline as a behavioral outcome, supported by structured incentives and corrective frameworks. The implication is that managerial effectiveness depends on consistency, fairness, and clarity in policy implementation rather than on the frequency or severity of rewards and punishments.

Moreover, the dominance of reward across multiple studies highlights the importance of positive reinforcement in modern organizational management. Excessive reliance on punishment may secure short-term compliance but does not necessarily build sustained commitment. Therefore, the strategic implication is that organizations should prioritize motivational systems that recognize achievement, while using punishment selectively to maintain accountability and prevent misconduct. Based on these findings, practitioners should (1) develop clear, performance-based reward criteria linked to measurable key performance indicators (KPIs); (2) ensure transparency in evaluation and incentive distribution to prevent perceptions of bias; (3) implement progressive and proportionate disciplinary procedures that emphasize behavioral correction rather than intimidation; and (4) integrate discipline monitoring into performance appraisal systems to track behavioral improvements over time. Additionally, management should conduct periodic policy evaluations using employee feedback and performance data analytics to assess the effectiveness of reward and punishment systems. By institutionalizing structured, fair, and data-driven mechanisms, organizations can enhance both discipline and sustainable performance outcomes.

## References

- Alwaidin, A., Waguna, F. W., Maharani, R., & Hikmah, A. L. (2025). Analisis Kebijakan Reward Dan Punishment. *Jurnal Mappesona*, 8(2), 88–96.
- Arifin, A. (2022). Pengaruh Reward Dan Punishment Terhadap Kinerja Pegawai Pada Sekretariat Daerah Kota Parepare. *DECISION: Jurnal Ekonomi Dan Bisnis*, 3(1), 1–9.
- Arifin, D., Ardian, N., & Triana, H. (2024). Analisis Peningkatan Kebijakan Penghargaan Dan Punishment Terhadap Kedisiplinan Kerja Pegawai Di Badan Kepegawaian Negara Medan Sumut Daud. 5(2), 344–350.
- Bandiyono, A., Hamzah, K. F., & Hidayat, N. A. (2021). Bandiyono, Hamzah, dan Hidayat: Pengaruh Reward Dan Punishment Terhadap ... Pengaruh Reward Dan Punishment Terhadap Kedisiplinan Pegawai. *Jurnal Ekonomi*, XXVI(1), 50–65. <http://dx.doi.org/10.24912/je.v26i1.684>
- Fareira, C., & AR, H. (2024). Disiplin Kerja Memediasi Reward Dan Punishment. 11, 462–474.
- Futum Hubaib, J. B. A. J. dan. (2021). Konsep Pelayanan Publik Di Indonesia (Analisis Literasi Penyelenggaraan Pelayanan Publik di Indonesia). *Dedikasi*, 22(2), 105. <https://doi.org/10.31293/ddk.v22i2.5860>
- Ginanjari Suendro. (2025). Pengalaman Karyawan dalam Menjalani Sistem Reward dan Punishment di PT

- Marimas. E-Logis : Jurnal Ekonomi Logistik, 7(1), 53–67. <https://doi.org/10.70375/e-logis.v7i1.127>
- Hanggono, B. (2024). Peran Strategis Kompetensi, Kompensasi, dan Motivasi dalam Peningkatan Kinerja Pegawai. PRODUKTIF: Jurnal Kepegawaian Dan Organisasi, 3(1), 19–28. <https://doi.org/10.37481/jko.v3i1.128>
- Harahap, J. M., Hasibuan, M. I., & Watrionthos, R. (2020). Pengaruh Reward and Punishment (Penghargaan dan Hukuman), Koordinasi Pemerintah Daerah Terhadap Kinerja SDM Program Keluarga Harapan ( PKH ) di Lingkungan Dinas Sosial Kabupaten Labuhanbatu. Kapital : Jurnal Ilmu Manajemen, 02(01), 1–12. <https://ejurnal.univalabuhanbatu.ac.id/index.php/kapital/article/view/140>
- Hidayat, T. (2023). Peranan Reward Dan Punishment Dalam Mengelola Sumber Daya Manusia. The World of Business Administration Journal, 5(1), 37–44. <https://doi.org/10.37950/wbaj.vi.1667>
- Irawan, L., Anggraeny, R., & Arifin, H. M. Z. (2020). Hubungan Pemberian Penghargaan (Reward) Dengan Kinerja Pegawai Dinas. Jurnal Administrasi Publik, 8(3), 150–165.
- Maksin, M., Tantri, R. A., Hidayat, S., & Ariyanto, A. E. (2022). Pelaksanaan Program “ASN Ber-Akhlak” Sebagai Bentuk Pengembangan Pegawai Untuk Meningkatkan Kualitas Dan Loyalitas Pegawai Implementation Of “ASN Ber-Akhlak” Program With Characteristics As A Form Of Employee Development To Improve The Quality And Loyalty Of Employees. Restorica: Jurnal Ilmiah Ilmu Administrasi Negara Dan Ilmu Komunikasi, 8(1), 25–34. <http://journal.umpalangkaraya.ac.id/index.php/restoricaCC-BY-SAlicense%0Ahttp://creativecommons.org/licenses/by-sa/4.0/>
- Maramis, S., Lengkong, V., & Palandeng, I. (2024). Analisis Penerapan Reward Finansial Dan Non-Finansial Dalam Meningkatkan Produktivitas Kerja Karyawan Di Luwansa Hotel And Convention Center Manado. 12(3), 541–548.
- Nangka, P. T., Kairupan, S. B., & Pangkey, I. (2024). Standar Pelayanan Publik Dalam Pengurusan Administrasi Kependudukan Di Dinas Kependudukan Dan Pencatatan Sipil Kota Tomohon. J-CEKI : Jurnal Cendekia Ilmiah, 4(1), 629–642. <https://ulilalbabinstitute.id/index.php/J-CEKI/article/view/6502>
- Olivia, & Lestariningsih. (2022). Pengaruh Reward Dan Punishment Terhadap Kinerja Pegawai Dengan Disiplin Kerja Sebagai Variabel Intervening Pada Dinas Kesehatan Provinsi Jawa Timur Sekolah Tinggi Ilmu Ekonomi Indonesia (Stiesia) Surabaya. Jurnal Ilmu Dan Riset Manajemen, 01(01).
- Rahmah, M., Basori, Y., & Purwanti, D. (2024). Eksplorasi penerapan reward and punishment aparatur sipil negara dalam upaya meningkatkan kedisiplinan pegawai pemerintah kota Sukabumi: Exploration of the implementation of reward and punishment of state civil apparatus in an effort to improve discipline. 1–27.
- Sam Yang, J., Hernawan, D., & Seran, G. G. (2020). Civil Servant Performance in Bogor Selatan District, Bogor City. Jurnal GOVERNANSI, 6(1), 57–62.
- Setianingsih, V. (2025). Proceeding FRIMA ( Festival Riset Ilmiah Manajemen dan Akuntansi ) Analysis of Rewards and Punishments in Improving Employee Work Motivation. Proceeding FRIMA (Festival Riset Ilmiah Manajemen Dan Akuntansi) Volume, 01(08), 177–186.
- Setiari, A., Nastiti, R., Wahdah, R., & Yulianti, F. (2025). Pengaruh Reward Dan Punishment Terhadap Kinerja Dosen Dengan Disiplin Kerja Sebagai Variabel Intervening Pada Stikes Suaka Insan Banjarmasin. Manajemen; Jurnal Ekonomi, 7(1), 348–360.
- Sofiastuti, N., & Andriani. (2025). Bank Patronage Factors of Muslim and Non-Muslim Customers. International Journal of Bank Marketing, 12(1). 2(1), 36.
- Sofiati, E. (2021). Pengaruh Reward Dan Punishment. Jurnal Organisasi Dan Manajemen, 1(1), 31–46.
- Susiyami, S., & Widarta. (2025). Pengaruh Komitmen Organisasi, Reward dan Punishment terhadap Kinerja Pegawai Pusat Pengembangan Sumber Daya Manusia (PPSDM) Regional Yogyakarta. Jurnal Ekonomi Manajemen Dan Bisnis, 6(1), 46–58. <https://doi.org/10.32815/jubis.v6i1.2645>
- Syafiq, S. S. (2021). Pengaruh Motivasi, Reward Dan Punishment Terhadap Kinerja Karyawan (Studi kasus Klinik Kecantikan Puspita Bandar Lampung). Jurnal Ilmu Manajemen Saburai (JIMS), 7(1), 57–66. <https://doi.org/10.24967/jmb.v7i1.1070>
- Syururi, R., Wahyuningsih, S., & Moh, B. (2025). Pengaruh Reward Dan Punishment Terhadap Kinerja Karyawan PT. Multi Garmenjaya. Jurnal Ilmiah Manajemen, Bisnis Dan Kewirausahaan, 5(3), 625–634. <https://doi.org/10.55606/jurimbik.v5i3.1453>
- Timbuleng, M., Johannes, R., Pangkey, I., & Mamonto, F. (2023). Analisis Etika Pelayanan Publik: Studi Pada Kantor Badan Perencanaan Pembangunan Daerah Provinsi Sulawesi Utara. African American Studies Center, 15(2), 208–221. <https://doi.org/10.1093/acref/9780195301731.013.48111>