

ANALYZING THE IMPACT OF REWARDS, PUNISHMENT, AND WORK ATTITUDE ON EMPLOYEE TURNOVER IN THE AUTOMOTIVE INDUSTRY

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ABSTRACT

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Employee turnover represents an employee's intention to leave the organization and is influenced by various organizational and behavioral factors, including rewards, punishment, and work attitude. This study aims to examine the effect of rewards, punishment, and work attitude on employee turnover at CV. Cahaya Motor. A quantitative research approach was employed using a saturated sampling technique, involving all 59 employees as respondents. Data were collected through a structured questionnaire and analyzed using multiple linear regression to assess both partial and simultaneous relationships among variables. The findings reveal that rewards, punishment, and work attitude have statistically significant effects on employee turnover, both individually and collectively. These results indicate that inadequate compensation systems, ineffective disciplinary practices, and negative employee attitudes may increase turnover intention. Conversely, well-structured reward systems, fair and consistent punishment, and positive work attitudes contribute to reducing employees' intention to leave the organization. This study highlights the importance of integrated human resource management practices in enhancing employee retention and supporting organizational sustainability.

Pendahuluan

The car buying and selling business has become increasingly common, with more enterprises entering the market over time. As a result, competition among sellers, particularly in the used car segment has become highly intense. Many businesses have established used car showrooms to attract consumers and remain competitive, further intensifying market rivalry. This situation requires companies to enhance their competitiveness, one of which is through the development of human resources, as employees play a crucial role in supporting sales performance and achieving organizational objectives. Human resources play a crucial role in achieving organizational sustainability across various sectors, as they serve as the main driver of organizational performance and competitiveness (Fardiansyah et al., 2022). One effective way to improve human resources is by fostering positive employee work attitudes. Employees are expected to demonstrate professionalism, maintain politeness, and exhibit constructive behavior toward both the company and their colleagues. Work attitudes are also influenced by the work environment;

a comfortable and supportive environment can enhance employees' well-being and motivate them to perform optimally. In addition, employees are required to maintain self-control, especially when facing problems or experiencing high work pressure (Nersiwad & Hartono, 2021). A calm and composed attitude enable employees to carry out their tasks more efficiently and effectively, ultimately contributing to improved organizational performance.

Employees should also be rewarded for their contributions to the company's development. Such rewards may take the form of salary increases, bonuses, or promotions, which serve to motivate employees to perform their duties more effectively and with greater enthusiasm (Hartono & Toto Heru Dwihandoko, 2023). Providing appropriate rewards not only enhances employee motivation but also fosters a sense of appreciation and organizational commitment. However, not all employees consistently demonstrate positive work attitudes. Employees who exhibit poor behavior or violate company standards should be subject to appropriate punishment. This may include disciplinary actions ranging from verbal warnings to more severe measures such as termination. Properly implemented punishment serves as a corrective mechanism to prevent misconduct, promote discipline, and ensure compliance with organizational rules. Despite these efforts, some employees may still feel compelled to leave the organization in search of better opportunities. This indicates that employee retention is influenced not only by internal organizational factors but also by external opportunities that may offer more attractive conditions.

Employee turnover may occur when employees perceive that the compensation they receive, such as salaries and bonuses, is insufficient to meet their needs, leading to dissatisfaction and a lack of well-being. Although employees at CV. Cahaya Motor generally show a low intention to leave, the company must consistently maintain its commitment to employee welfare. Providing compensation that is commensurate with employee performance is essential to ensure fairness and maintain motivation. In addition to compensation, the company also needs to pay close attention to employee work attitudes. Employees who exhibit negative work attitudes that may harm the organization or their colleagues should be subject to appropriate sanctions, whether mild or severe. The implementation of such disciplinary measures is important to foster discipline, reinforce organizational norms, and ensure compliance with company regulations. By maintaining a balance between fair rewards and appropriate punishment, CV. Cahaya Motor can encourage employees to behave more responsibly and remain committed to the organization.

Literature Review

Attitude

Schermerhorn et al., in Muhammad Muhson (2017:21), defines attitude as a person's response to their environment, where their likes or dislikes are visible. Attitude is also defined as a person's sense of sacrifice, both physical and mental, that will result in achievement and rewards. (Hasibuan, 2001:94). It can be concluded that work attitude is defined as an employee's response to their work environment. Employees will respond well if their work environment makes them feel comfortable. According to Ronen (2003), indicators of work attitude are as follows:

1. Self-Control. Self-control is not easy. It requires a calm attitude to control ourselves, allowing us to remain calm when facing problems.
2. Flexibility. Flexible working hours will result in employees producing high-quality work.
3. Work Commitment. This is the attitude of employees who have a strong desire for their work, making them feel comfortable with it.

Rewards

Nugroho in Koencoro (2013:2) defines rewards as a reward or reward for employees who continuously improve their performance. Rewards are also defined as a form of gratitude from the company to employees for their achievements (Purnama, 2015:13). It can be concluded that rewards are used as a reward or gift to someone who has helped achieve the company's desired goals. Mahmudi (2013:187) defines reward indicators as:

1. Bonuses and Salaries. Bonuses and salaries are given to recognize employees' hard work.
2. Employees Must Be Well-Being. The well-being of employees must be taken care of by the company. Prosperous employees will feel appreciated and cared for.
3. Career Development. Career development for employees is necessary because it motivates them to advance their careers.
4. Psychological and Social Rewards. Rewards need to be provided, both psychologically and socially, because they will foster greater employee motivation and boost work morale.

Punishment

According to Hasibuan (2009:37), punishment is defined as a penalty for employees who knowingly commit acts intended to harm others. Punishment for

employees can take the form of sanctions or warnings to prevent repeat offenses (Mangkunegara, 2013). As conclusion punishment means imposing sanctions or warnings on employees who intentionally commit errors to prevent harm to the company or other employees.

According to Rivai in Koencoro (2013:4), indicators of punishment are:

1. Mild Punishment. This punishment takes the form of a warning or reprimand for the employee.
2. Medium Punishment. A salary reduction or cancellation of a salary increase.
3. Severe Punishment. Termination or removal from office is appropriate for employees who commit serious violations within the company.

Employee Turnover

Yucel (2012:2) defines turnover intention as an employee intending to leave a company because they are no longer comfortable with their work environment. Waspodo, Nurul, and Widya (2013) define turnover intention as an employee's desire to leave the company with the intention of choosing another job that they feel is better than their previous one. Employee turnover is defined as an employee leaving a job because they feel their current job is uncomfortable and they intend to choose another job at a better company..

Chen and Francesco in Dharma (2013:4) define these intentions as:

1. Thinking about leaving. Employees who are uncomfortable with their jobs will consider leaving.
2. Wanting to find a job. Looking for another job may be a solution for employees seeking a better job.
3. Wanting to leave the organization temporarily. Leaving an organization temporarily may be necessary for employees to find a new organization to gain experience.

Hypothesis

Based on the theoretical framework and previous studies, the hypotheses of this study are formulated as follows:

H1: Rewards have a significant effect on employee turnover at CV. Cahaya Motor.

H2: Punishment has a significant effect on employee turnover at CV. Cahaya Motor.

H3: Work attitude has a significant effect on employee turnover at CV. Cahaya Motor.

H4: Rewards, punishment, and work attitude simultaneously have a significant effect on employee turnover at CV. Cahaya Motor.

Research Method

This study employed a quantitative research approach to examine the effect of rewards, punishment, and attitude on employee turnover at CV. Cahaya Motor. The population of this study consisted of all employees of CV. Cahaya Motor, totaling 59 individuals. Due to the relatively small population size, this study used a saturated sampling technique, in which all members of the population were included as the sample. Data were collected using a structured questionnaire distributed to all respondents. The questionnaire items were developed based on established indicators for each variable, including rewards, punishment, attitude, and employee turnover. Prior to data analysis, the instrument was tested for validity and reliability to ensure the accuracy and consistency of the measurements.

The data analysis technique used in this study was multiple linear regression analysis to determine both the partial and simultaneous effects of independent variables (rewards, punishment, and attitude) on the dependent variable (employee turnover). Several classical assumption tests were also conducted, including normality, multicollinearity, heteroscedasticity, and autocorrelation tests, to ensure that the regression model met the required statistical assumptions.

Result and Discussion

The results of the data analysis are presented as follows. Based on the validity test, all questionnaire items for each variable, rewards (X1), punishment (X2), attitude (X3), and employee turnover (Y)—produced calculated correlation coefficients (r -count) that exceeded the r -table value of 0.256. This finding indicates that each item in the research instrument is statistically valid and capable of accurately measuring the intended constructs. This also suggests that the indicators used in this study are well-designed and aligned with the theoretical concepts underlying each variable, thereby ensuring that the data collected truly reflect the real conditions experienced by employees.

Furthermore, the reliability test results demonstrate that all variables have Cronbach's Alpha values above the minimum threshold of 0.60, with values of 0.736 for rewards (X1), 0.722 for punishment (X2), 0.791 for attitude (X3), and 0.733 for employee turnover (Y). These results indicate a high level of internal consistency among the items within each variable. This means that respondents provided relatively stable and consistent answers, which strengthens the credibility of the data. Reliable instruments are essential in behavioral research, as they reduce measurement error and increase confidence in the findings.

To ensure the robustness and validity of the regression model, several classical assumption tests were conducted. The normality test yielded an Asymp.

Sig. (2-tailed) value of 0.200, which is greater than 0.05, indicating that the residuals are normally distributed. This condition implies that the data follow a normal pattern, allowing for unbiased and efficient parameter estimation. The multicollinearity test shows that all independent variables have tolerance values greater than 0.10 and VIF values below 10, confirming that there is no strong correlation among the independent variables. This suggests that each variable—rewards, punishment, and attitude—captures a distinct aspect of employee behavior, and their effects on turnover can be interpreted independently without overlap.

Table 1. T-test

| Koefisien Standar Standardized Coefficient | T | Sig |
|---|--------|------|
| (constant) | -1.785 | .080 |
| (X1) | 5.729 | .000 |
| (X2) | 6.784 | .000 |
| (X3) | -4.435 | .000 |

Source: Author (2026)

In addition, the heteroscedasticity test results show that all variables have significance values greater than 0.05, indicating that there is no heteroscedasticity problem in the regression model. This means that the variance of the residuals remains constant across different levels of the independent variables, which enhances the reliability of the regression estimates. The autocorrelation test further confirms the adequacy of the model, as indicated by a Durbin-Watson value of 2.014, which is higher than the upper bound (DU) value of 1.6875. This indicates that the residuals are independent, suggesting that the data do not suffer from systematic bias over observations.

The partial hypothesis testing using the t-test indicates that all independent variables have a statistically significant effect on employee turnover. The results of the t-test are presented in Table 1. Rewards (X1) show a t-value of 5.729 with a significance level of 0.000, indicating a significant effect on employee turnover. This finding is consistent with previous research, which highlights that effective strategies are needed to reduce voluntary turnover in the automotive industry (Wilson, 2023). This can be rationalized by the fact that rewards, such as salaries, bonuses, and career development opportunities, directly influence employees' perceptions of fairness and satisfaction. When employees perceive rewards as inadequate or inequitable, they are more likely to consider leaving the organization in search of better opportunities. This finding is consistent with previous studies

showing that effective reward systems enhance employee satisfaction and influence their decision to remain in the organization (Alkandi et al., 2023)

Punishment (X2) has a t-value of 6.784 with a significance level of 0.000, also indicating a significant effect on employee turnover. This finding suggests that the way disciplinary actions are implemented within the organization plays a crucial role in shaping employee behavior. Excessive or unfair punishment may create dissatisfaction and reduce employee morale, which can increase turnover intention. On the other hand, appropriate and fair punishment can promote discipline and organizational order. Therefore, the impact of punishment on turnover depends on how it is perceived by employees.

Meanwhile, attitude (X3) shows a t-value of -4.435 with a significance level of 0.000, indicating a significant effect with a negative direction. This result can be interpreted that positive work attitudes—such as commitment, self-control, and adaptability—tend to reduce employee turnover. Employees who have a positive attitude toward their work and work environment are more likely to feel satisfied, engaged, and loyal to the organization, thereby decreasing their intention to leave. Conversely, negative attitudes may lead to dissatisfaction and higher turnover intention.

Moreover, the simultaneous hypothesis testing using the F-test shows that the regression model is statistically significant, with an F-value of 77.003 and a significance level of 0.000. This indicates that rewards, punishment, and attitude collectively have a significant effect on employee turnover. This finding can be rationalized by the fact that employee turnover is a complex phenomenon influenced by multiple factors simultaneously. Rewards represent economic and motivational aspects, punishment reflects organizational control and discipline, while attitude represents internal psychological conditions. The interaction of these factors provides a more comprehensive explanation of employee behavior than any single factor alone.

The results of hypothesis testing indicate that all proposed hypotheses are supported. Hypothesis 1 (H1) is accepted, as rewards have a significant effect on employee turnover. Hypothesis 2 (H2) is also supported, indicating that punishment significantly influences employee turnover. Furthermore, Hypothesis 3 (H3) is accepted, as work attitude has a significant effect on employee turnover, with a negative direction, suggesting that better work attitudes reduce turnover intention. Lastly, Hypothesis 4 (H4) is supported, as rewards, punishment, and work attitude simultaneously have a significant effect on employee turnover.

These findings confirm that both individual and combined effects of organizational policies and employee behavior play a crucial role in shaping turnover intention. The acceptance of all hypotheses highlights the importance of

managing reward systems, disciplinary practices, and employee attitudes in order to reduce employee turnover and improve organizational stability. Overall, these findings suggest that both individual (partial) and combined (simultaneous) effects of rewards, punishment, and attitude play a crucial role in influencing employees' intention to leave the organization. Therefore, companies should design fair and competitive reward systems, implement balanced and just disciplinary policies, and foster positive work attitudes among employees. By doing so, organizations can effectively reduce turnover rates and enhance long-term organizational performance.

Conclusion

The results of this study indicate that each independent variable has an influence on employee turnover. Variable X1 (attitude) affects employee turnover, suggesting that a positive work attitude can make employees feel more comfortable in their jobs and reduce their intention to leave the organization. Variable X2 (rewards) also influences employee turnover, indicating that providing appropriate rewards to employees who perform well and contribute to the company's development is essential. When employees feel that their efforts are not properly recognized, they may be more likely to leave and seek better opportunities elsewhere. Furthermore, variable X3 (punishment) has an effect on employee turnover, implying that disciplinary actions are necessary when employees intentionally commit mistakes that could harm the company or other employees. Without proper punishment, employees may become undisciplined and violate company regulations, which can negatively impact the work environment and encourage others to leave the organization.

Moreover, variables X1 (attitude), X2 (rewards), and X3 (punishment) simultaneously influence employee turnover. This finding indicates that employee behavior and retention are shaped by a combination of internal attitudes and organizational policies. A positive work attitude contributes to organizational progress, while appropriate rewards and recognition can motivate employees and reduce negligence in their work. At the same time, fair and consistent punishment helps maintain discipline, which ultimately reduces employees' intention to leave and increases their commitment to the organization.

The implications of this study suggest that work attitudes at CV. Cahaya Motor need to be continuously improved, given their significant role in supporting organizational success. A positive and disciplined work attitude can enhance overall performance and contribute to the company's long-term growth. In addition, the company should provide appropriate rewards to motivate employees

and acknowledge their contributions, as this can help reduce turnover intention. However, it is equally important for the company to implement fair and consistent disciplinary measures for employees who intentionally commit violations, in order to maintain organizational order and prevent negative impacts on other employees.

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