

## Providing hotel incentives to increase employee loyalty

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### Abstract

The background of this research was based on of importance of providing incentives to employees at 4-star hotel in Seminyak, Bali. The purpose of this research to determine whether the provision of incentives can increase employee loyalty at the hotel. The data was collect by interviews, observation and documentation, incentive variable and employee loyalty is by using questionnaire and percentage. The data source were used primer and secondary data. The data will analyzed used qualitative descriptive and quantitative descriptive. This research of this study indicate that the providing of incentives by the hotel able to improve employee loyalty. This is indicated from the results of questionnaire as many as 85,2% answered strongly agree and agree, while 14,8% answered disagree. The suggestion in this study is that giving incentives to the hotel is good, but it need to increase the nominal amount of incentives provided so as to increase employee loyalty. Employee need to increase loyalty of that work so that hotel revenue will be increase, and incentives are also increased.

Keywords : providing incentives, employee loyalty.

### Introduction

Human resources are a central factor in a company (Atmaja & Heriyanto, 2014), therefore companies are required to improve company performance and human resources that are owned so that the company will survive in the face of competition from other companies (Ayu & Sinaulan, 2018).

In addition to improving employee performance, companies must maintain and increase loyalty from their employees, because employee loyalty can have a positive impact on the growth of the company (Rachel et al, 2010). Employee loyalty can be generated by paying attention to employee welfare both materially and non-materially. Efforts that can be done by the company to maintain employee loyalty are by providing adequate incentives (Ratnasari, et al, 2013). Efforts that can be done by the company to maintain employee loyalty are by providing adequate incentives (Ratnasari, et al, 2013). Incentives also aim to maintain and maintain high-potential employees to remain in the company (Meiditami & Sunoharyo, 2018).

There are several factors that influence employee loyalty including job satisfaction, incentives obtained, a comfortable workplace, career development,

provision of employee training, guaranteed health and safety, and a supportive work atmosphere. Every company wants employees who have high loyalty, one of which is the hotel researched. The hotel has 125 employees with details: Front Office as many as 19 employees, 30 House Keeping employees, Food & Beverage as many as 31 employees, Accounting 14 employees, Engineering as many as 11 employees, Sales Marketing as many as 5 employees and Personnel as many as 15 employees. The number of employees is still experiencing an increase and a decrease, this is because there are still employees entering and leaving. The level of entry and exit of employees can be used as a label in employee loyalty. To clarify the amount of entry and exit of employees at the hotel can be presented in table 1.

**Table 1**  
**The Number of Turn-Over Employee In 2016-2018**

DEPARTMENT	2016		2017		2018	
	Masuk	Keluar	Masuk	Keluar	Masuk	Keluar
Front Office	0	0	0	2	2	0
House Keeping	0	0	0	0	1	1
Food & Beverage	1	1	2	2	1	0
Accounting	1	1	0	0	0	0
Engineering	2	1	1	1	1	1
Sales & Marketing	0	1	1	0	0	0
Personel	4	2	3	2	3	1
TOTAL	8	6	7	7	8	3

(Source : The hotel (data processed), 2019).

In Table 1 it can be seen that, for three consecutive years there are still employees who leave or resign. So that the hotel must make efforts to increase employee loyalty. In this case the company strives to increase employee loyalty through the provision of incentives. Based on this description the author is interested in conducting research on the provision of incentives and how to analyze incentives in increasing employee loyalty. So the authors are interested in conducting research on the analysis of incentives in increasing employee loyalty.

### Research methods

The research conducted at a 4-star hotel in Seminyak, Bali. The research uses qualitative descriptive and quantitative descriptive. The data was collected by

interviews, observation and documentation, incentive variable and employee loyalty is by using questionnaire and percentage. Data on this research is the number of turn over employees. This research is done using Microsoft Excel for analysis and get the percentage of employee loyalty.

### Results and discussion

The hotel researched has 89 rooms with various categories such as 78 superior rooms, 6 deluxe rooms, 4 super deluxe rooms, 1 suite room. The types of incentives applied at the hotel such as:

#### a. Incentives for employee

The types of incentives for employees applied by the hotel:

##### 1. *Service*

Service money is non-wage income which is an addition to the previously set rate in services for hotels and restaurants.

2. *Employee Married*, incentives given to employees who are getting married or are married. The employee will be given 3 days of work leave and direct cash is given to employees.

3. *Maternity Leave*, is giving work leave to female employees who are pregnant. Work leave will be given when the womb is 9 months old. Pregnant female employees will be given 3 months of work leave. Employees who take maternity leave will still get a full salary and service charge.

4. *Baby born*, incentives given to employees who have wives who are giving birth receive work leave for 2 days.

5. *Death*, namely donations given to employees whose family members die (biological parents, husband / wife / children, sadaura kandug). There are several types of incentives provided, namely:

##### a. *Death of parents*

The incentives given to employees when employees experience the disaster of parents die, employees will be given leave for two days and cash directly given to employees along with bouquets of flowers.

##### b. *Death of husband, wife and kid*

Incentives provided to employees if one of the family of the employee dies, such as a husband or wife and child. The employee will be given 3 days of

work leave and cash directly given to employees along with bouquets of flowers.

c. *Death of brother or sister*

The incentives given to employees if the siblings of the employee die get leave for 2 days.

b. Incentives for *Best Employee*

The best employee incentive is given to employees who achieve work performance given every once a year named Star Of The Year. Employees who follow Star Of The Year are employees selected from each department who have work performance and loyalty to work. The selected employees from each department will take the test and be selected by the hotel management to get 1 employee as Star Of The Year. Employees who earn Star Of The Year will receive rewards in the form of incentives as much as basic salary and get an award certificate.

Incentives are a factor for employees to increase the loyalty and dedication that each employee has. The provision of incentives is intended to meet the needs of employees and their families, thus the management of the hotel hopes that every employee is able to provide loyalty and dedication to the company.

From the results of interviews with Human Resource Managers it was said that the hotel strives to increase employee loyalty by providing incentives to employees and given directly to the hotel to employees.

To strengthen the results of interviews with Human Resource Managers, researchers conducted interviews with employees as respondents, with the number of respondents as many as 90 people from employees who had been selected from each department and provided questionnaires and questions to be answered by respondents.

The questionnaire distributed by the researchers consisted of 12 statements and 5 regular questions that could be answered by the respondents consisting of 4 (four) categories namely Strongly Agree, Agree, Disagree, and Strongly Disagree with a predetermined weight value.

Table 2  
Results of Questionnaire

	<b>SS</b>	<b>S</b>	<b>TS</b>	<b>STS</b>
The incentives that have been given can increase my loyalty	47	40	3	0
The incentives that have been given can make me obey regulations without supervision	45	27	15	3
The incentives that have been given can make me feel at home working in this company	50	30	10	0
The incentives that have been provided are enough to meet my life's needs	47	25	15	3
The incentives that have been given are feasible	48	29	13	0
The incentives that have been given are in accordance with my work at this company	46	28	16	0
I am satisfied with the incentives / bonuses given to me	49	28	10	3
The incentives that have been given are in accordance with my loyalty	47	29	14	0
By being given incentives my loyalty to the company increased	47	32	10	1
The incentives that have been given are in accordance with my discipline in this company	45	27	18	0
The incentives that have been given are in accordance with my dedication to this company	49	27	11	3
The incentives that have been given are in accordance with my ability to work together and help other colleagues at work	52	26	12	0
<b>Total</b>	<b>572</b>	<b>348</b>	<b>147</b>	<b>13</b>
<b>Percentage</b>	<b>53,0%</b>	<b>32,2%</b>	<b>13,6%</b>	<b>1,2%</b>

Based on the results of questionnaire data processing conducted by researchers, it can be seen that the percentage of data above can be measured by the percentage score criteria based on predetermined intervals. From the results of the data obtained from the distribution of questionnaires to employees who have been selected from each department, from 90 respondents the average answer is 53.0% strongly agree that incentives can increase employee loyalty at the hotel, 32.2% of respondents answered agree that giving incentives can increase employee loyalty, 13.6% answer disagree that giving incentives can increase employee loyalty and 1.2% answer strongly disagree that giving incentives can increase employee loyalty.

Based on these data, it can be seen that the results which are summed up strongly agree and agree, reaching 85.2%, from the results it can be seen that the incentives or bonuses given are able to play a role in increasing employee loyalty at the hotel, while the data added is no agree and strongly disagree that it reaches 14.8%,

from these results it can be seen that there are still employees who do not agree to giving incentives to increase employee loyalty at the hotel.

Table 3  
 The Results Of Question Processing

	Percentage	
	Yes	No
Has the incentive / bonus received been satisfactory	83,3	16,7
Are the incentives / bonuses given by the company fair	68,9	31,1
Are the incentives obtained according to the work done	67,8	32,2
Whether the incentives received are able to increase loyalty to the company	70,0	30,0
Is the provision of incentives by the company good	66,7	33,3

From the results of interviews conducted to respondents at the hotel by asking open questions as many as 5 pieces and obtained results that as many as 83.3% of respondents said the incentives or bonuses received were satisfactory, this means employees are satisfied with incentives that have been given by management, the results of this closed question are the same as the results of the questionnaire that has been distributed, so that it can be seen that employees are consistent with the incentives provided. From the results of the closed questions, it was also found that 68.9% of respondents said that the incentives provided by the company to employees were fair, and further questions were obtained as much as 67.8% of respondents said that the incentives or bonuses provided were in accordance with the work carried out by employee. From the next closed question the results obtained as much as 70.0% of respondents said the incentives given to employees were able to play a role in increasing employee loyalty, and the results of the last closed question received as much as 66.7% of respondents said the incentives provided by management to employees were good .

From the results of the discussion it can be seen that the incentives provided by the management of the hotel to employees averagely 53.0% answered strongly agree and 32.2% answered agree, the two results of the questionnaire if added to 85.2%, this showed that giving incentives to employees was able to increase the loyalty of these employees, and above 60% of employees said that the incentives

provided were very satisfying and were fair in accordance with the work carried out so as to increase loyalty from the employees.

## Conclusion

Based on the discussion and the results of the research in the previous chapter, it can be concluded that providing incentives can to increase the employee loyalty. The incentives that have been given by the management of the hotel to employees are able to increase the loyalty of the employees, this can be seen from the results of questionnaires distributed to 90 employees reaching 85.1%. From these results it can be seen that the provision of incentives is very capable of increasing employee loyalty.

From the results of questionnaires there are still employees who disagree that incentives can increase employee loyalty. So for that the company must be able to provide an atmosphere and a good work environment in order to maintain and increase employee loyalty.

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