

## The Effect of Feedback and Incentive Scheme on Task Performance

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### Abstract:

**Background:** The individual performance should be attained by individual task. It should be goal congruence with the organization. The individual task performance is effected by many factors, such as: feedback and insentive scheme. Hence, there are an empirical research gap in this topic. The experimental results are expected to provide information for management as decision makers in order to create conditions that can provide the best task performance within the organization

**Materials and Methods:** This research is an experiment with a 2x2 factorial design between subjects. Subjects consist of uppergrade accounting students. They were randomly grouped into 4 categories. The Independent Sample T-Test analysis method is used to prove H1 and H2, and Two Ways ANOVA (Analysis of variance) to prove H3.

**Results:** (1) multilevel damage scheme provides better task performance than fixed scheme. This means that the scheme has an effect on task performance, (2) the feedback given objectively encourages participants to perform better than the feedback given subjectively. This shows that there is feedback on the implementation of tasks, (3) the outperformed performance is obtained in a condition where participants receive objective feedback and are given tiered incentives scheme.

**Conclusion:**The interaction between feedback and incentive scheme has an impact on individual task performance

**Keywords:** Feedback; Incentive Scheme; Task Performance

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### I. Introduction

Individual performance is a person's achievement for the work he has done. The achievement of individual performance will have an impact on the achievement of the performance and goals of the organization as a whole. Kappagoda et al. (2014) stated that performance can be measured using 2 sub-variables, namely task performance and contextual performance. Task performance will be more related to the ability and motivation of an individual in carrying out their duties as an employee, while contextual performance is more directed at an individual's skills to communicate with other individuals and the ability to build good working relationships (Borman & Motowlid, 1993). Task performance is used to show the ability of employees to do a job according to their field. Where the tasks assigned to employees must be in accordance with the organizational goals to be achieved and meaningful for employees.

Bruun-olsen & Eian (2015) stated that in the context of a classic principal-agent model, employees work as agents, with the firm or a manager as their principle. Although the agents are compensated for their work the relationship may encounter certain incentive problems. Moral hazard is of particular risk and occurs if interests between the principal and the agent are not aligned.

Some of policies made by management to reduce the moral hazard occurring are by conditioning the organization in such a way as the system applied in it, particularly the management control system. One system that is believed to reduce moral hazard is a performance appraisal mechanism by providing feedback and a system of providing compensation for this performance.

Giving feedback on employee work is recommended to increase employee intrinsic motivation by supporting employee competencies and providing guidance on how to improve performance (Bruun-olsen & Eian, 2015). Locke & Latham (1991) revealed that performance feedback allows individuals to adjust their

efforts according to information, such as information about the level of performance goals that have been set to be achieved. This leads individuals to make greater efforts in order to complete all performance tasks, which can directly improve the individual's performance. Some of the feedback given on the performance of certain individuals is subjective and some is objective.

After the feedback mechanism is given to employees for each task, as a form of performance appraisal, the next step is compensation. Compensation can be given in the form of incentives. According to Puspita (2014) the company will provide compensation in return for hard work and employee contributions in the form of incentives. In essence, the provision of incentives can act as a driving force by guiding the role of employees towards the goals set by the company, therefore with the provision of incentives it is hoped that employees can work even harder and company goals will be achieved (Erbasi & Arat, 2012; Fitriadi, 2015; Haditya et al, 2017). Furthermore, the results of research by Bonner et al, (2000) and Rivai & Sagala (2009), which found that giving monetary incentives does not always improve performance, even though the results of employee performance appraisals are categorized as quite good. This is due to the implementation of a different incentive system.

Some empirical evidence shows that given feedback can improve performance. This is supported by research by Christ et al, (2016), Azmat & Iriberry (2013), Johnson (2013), and Apriwandi (2011) which prove that providing feedback combined with the provision of certain incentive schemes can motivate individuals to complete performance. Duty. The results of research by Gibbs et al, (2005) state that subjectivity feedback can indeed be used to improve performance. However, it is different with Johnson et al (2008) which states that there is no effect of providing objective feedback on task performance, regardless of whether participants receive fixed payments or incentives. Research by Balcazar et al. (1985) proves that the effect of giving feedback on results is not always consistent, raising the question of how feedback should be used to produce the most positive and consistent effect.

These inconsistent results prompted researchers to re-study the variables in question. However, this experiment modified the task performance instrument performed by Bruun-olsen & Eian (2015). They conducted experiments related to feedback interactions and incentive schemes on task performance. In the experiment, the task given was an order to color the provided columns according to the available numbers. However, after the pilot test was carried out, the task was felt to be boring for the participants who did it. Therefore, in this experiment, the assignments given were adjusted to the conditions of the participants who were still studying in the accounting study program. Participants are asked to identify statement of financial position accounts with certain nominal groups.

This experiment aims to prove the effect of certain feedback and incentive schemes on task performance, and to examine the interaction effect of the two. The experimental results are expected to provide information for management as decision makers in order to create conditions that can provide the best task performance within the organization. This article will describe the findings of this experiment with systematics as follows: introduction, theoretical framework and hypothesis development, research methods and results and discussion. The final section will explain the conclusions, limitations and suggestions for future research.

## **II. Theoretical Framework and Hypothesis Development**

### **Feedback**

Similar to the results founded by Chong & Leung (2018), Lekatompessy (2012), and Bonner, Hastie, Sprinkle, & Young (2000) which prove that giving feedback is important because it can influence individuals to work so that they can achieve company goals. or organization. Anthony & Govindarajan (2005) also say that feedback in the management control system aims to monitor performance results and correct deviations from the performance that has been done. Information delivery relates to how individual performance in terms of results, events, and behavior can be interpreted as feedback. In this case, feedback can be positive if it tells people that the individual has done something well, constructive if it gives advice on how to do something better, and negative if it says that the individual has done something badly (Armstrong, 2009).

According to Apruebo (2005), "Feedback is information that athletes would receive from coaches / trainers or environments regarding the level of their motors skill or performance. It serves as a ground work for the athletes learning development ". According to Apruebo, feedback emphasizes training activities related to information from the trainer regarding the level of motorskill. Rink (1985) states "Feedback is sensory information that a person receives as a result of a response". He stated that feedback is more general in nature and is interpreted as a response to information received.

Feedback in the research of Olsen & Eian (2015) and Weather & Davis (1996) is divided into two, namely objective and subjective feedback. Objective feedback focuses on the reality and clarity of facts that can be measured. Meanwhile, subjective feedback is more about conveying opinions such as attitudes, personality, adjustments, and others. Subjective performance measurement can be considered convincing if it is supported by events that have occurred and are documented.

### **Incentive Scheme**

One of the objectives of the management control system is to influence employee behavior at work to suit organizational goals, in doing this the company can determine employee performance measures with an incentive system (Anthony & Govindarajan, 2005). According to Fitriadi (2015) incentives can be interpreted as remuneration for employees

According to Nafrizal & Idris (2012), incentives are stimuli to encourage employee efforts to act as well as possible. According to Moehariono (2012) the rewards given to employees as a form of company appreciation for their achievements can also be called incentives. The solution so that companies do not need to provide additional fixed salaries to reward the performance of their employees, it is suggested to give them incentives instead because they are believed to make employees work more enthusiastic. Therefore, the incentive program must be well designed to be useful for improving performance.

### **Task Performance**

According to Mathis & Jackson (2006) performance appraisal is the process of evaluating how well employees do their job when compared to a set of standards, and then communicating that information to employees. The implication of performance appraisal in the management control system assumes that employees understand what standards are used in their performance, and provide employees with the necessary feedback, development, and incentives to encourage the employees concerned to eliminate poor performance and continue good performance (Anthony & Govindarajan, 2005). Rani & Mayasari (2015) states that performance appraisal is to provide feedback to employees with the aim of motivating them to eliminate deterioration in performance or to perform better.

Kappagoda et al, (2014) revealed that performance can be measured using 2 sub-variables, namely task performance and contextual performance. According to Borman & Motowlid (1993) task performance emphasizes the ability and motivation to perform an employee's tasks effectively, while contextual performance is more directed at interpersonal skills and motivation to interact with others. Task performance is used to show the ability of employees to do a job according to their field. The tasks given to employees must be in accordance with the organizational goals to be achieved and meaningful for employees (Chong & Leung, 2018)

### **Feedback on Task Performance**

In the Goal-Setting Theory approach, individuals will work better if they get feedback on how well they are progressing in achieving these goals because this feedback can help identify mismatches between what is done and what they want to do, meaning that feedback acts to direct individual behavior. . Therefore, in this study, researchers used feedback in the form of objective and subjective feedback.

The determination of objective or subjective feedback is based on the performance measures used to assess performance. According to Weather & Davis (1996), performance measurement can be done using a rating system. The assessment system used must be able to describe matters relating to performance measurement, where performance measurement can be subjective and objective.

Objective assessment factors focus on facts that are real and the results can be measured, for example quantity, quality, presence and so on. Meanwhile, subjective factors tend to be in the form of opinions such as attitudes, personality, adjustment and so on. Subjective factors can be judged with confidence if they are supported by documented events. With the consideration of these factors, the performance appraisal must be objective by measuring the actual performance of the individual or evaluating the behavior that reflects the success of the implementation of the work. An objective performance appraisal will provide appropriate feedback on changes in behavior towards the expected performance improvement (Bruun-olsen & Eian, 2015).

Chong & Leung (2018) found that feedback can play a role in improving task performance, where feedback acts as learning for individuals in completing task performance. The results of research by Christ et al, (2016) also prove that providing feedback and controlling it can improve individual task performance even in diverse tasks. Bruun-olsen & Eian (2015) found that providing objective feedback can improve the completion of task performance more consistently when compared to providing subjective feedback. Research by Johnson (2013) suggests combining evaluation and giving objective feedback to assess task performance.

Based on this description, the hypotheses that can be made is:

**H1: Participants given by objective feedback has outperformed participants given by subjective feedback.**

### **Incentive Schemes on Task Performance**

Based on the Goal-Setting Theory approach, the goals must be clearly measurable, unambiguous, and there is a certain time period set for the completion of the task (Chong & Leung, 2018). The principle of clarity is illustrated through the provision of incentive schemes, which include piecework, production bonuses,

commissions. In running the incentive program, companies must determine a clear and precise scheme. This aims to increase employee motivation at work.

Chong & Leung (2018) prove that giving compensation schemes in the form of incentives based on the resulting task performance motivates individuals more than fixed incentives. Haditya et al (2017) found that incentives have a significant positive effect on employee job performance, the greater the addition of financial incentives provided, the greater the increase in employee work, and justice strengthens the effect of incentives on employee job performance. Sinaga's research (2014) proves that granting multiple tariff incentives will motivate individuals to complete their performance tasks more than the fixed rate incentive scheme. Arniati (2012) also proved that subjects who were not interested in assignments and were given graded incentives had better task performance than subjects who received incentives with fixed schemes. Apriwandi (2010) proved that incentives in the form of salaries and bonuses are now no longer a necessity, and suggested that managers use performance-based incentives to improve the job performance of each employee.

Based on the explanation and previous research that has been described, the hypotheses that can be made is:

**H2: Participants under performance-based incentives has outperformed participants under fixed rate incentives.**

**Incentive Scheme and Feedback Schemes on Task Performance**

In the management control system, the provision of an incentive scheme can encourage and motivate each employee to work with optimal abilities, while providing feedback plays a role in providing information related to the ability of management and workers to further improve competence (Anthony & Govindarajan, 2005). The information referred to is related to the performance of tasks that have been completed, such as what has been done, how the results were, and what must be done to improve it.

Based on Goal-Setting Theory, goals must be clearly measurable, unambiguous, and there is a certain time period set for the completion of the task (Chong & Leung, 2018). In this study, the principle of clarity is illustrated through the provision of incentive schemes for fixed rates and tiered rates. The provision of an incentive scheme with a fixed rate will always be of the same magnitude even though there is an increase or decrease in the results of the performance task, but the incentive scheme with a tiered rate will change in size according to the performance tasks performed by individuals.

Locke & Latham, (2013) state that with Goal-Setting Theory can guide employee behavior in the process of completing task performance, this can occur because individuals who get feedback about their progress can identify mismatches between what to do and what they want to do. . Objective feedback focuses on real facts and measurable results, for example quantity, quality, attendance and so on. Meanwhile, subjective feedback tends to be in the form of opinions such as attitudes, personality, adjustment and so on.

Research from Chong & Leung, (2018) shows that performance feedback facilitates learning, compensation schemes by providing incentives encourage individuals to make the best efforts, and the level of goals set has a motivational effect on individuals. Christ et al, (2015) through their research proved that giving and controlling incentives and feedback can improve individual task performance even in diverse tasks. Research by Bruun-olsen & Eian, (2015) proves that providing an incentive scheme combined with feedback can motivate individuals to complete their performance tasks. Kvaløy et al, (2015) also proved that the effect of payment on monetary incentive performance is only positive when accompanied by motivational talk such as feedback. Apriwandi's research (2010) shows the effect of providing performance-based incentives and objective types of feedback on the relationship between motivation and performance through commitment and self-efficacy.

The hypotheses proposed in this experiment is:

**H3: Participants under tiered rate incentives and objective feedback has outperformed participants under fixed rate incentives and subjective feedback.**

**Method**

The experimental research design used is as follows:

**Table 1**Experiment Design 2 x 2

		Incentive scheme	
		Performance-based	Fix rate
Feedback	Objective	PO	FO
	Subjective	PS	FS

**Operational Definition**

**Feedback**

Assessment feedback in this study is given in two different ways. Depending on the treatment, feedback is objective or subjective. It is important to note that objective and subjective feedback is based on

quantitative performance measures. Performance is both evaluated by assessing after the number of worksheets has been completed. The only difference is in the way the feedback is expressed.

In providing objective feedback, the results of the assignment assessment appear to be calculated and assessed openly according to the point value. In the subjective feedback treatment, the results of the assignment assessments were not counted in plain view but instead expressed as an experimental personal evaluation of their work. To ensure consistency in the feedback manipulation, standard sentences for each treatment were formulated as presented below.

Objective feedback: "This qualifies for an X grade"

Subjective feedback: "Based on what I see I would like to give you an X"

In preparation for any complaints that may arise, a standard of justification for each treatment is established to ensure consistency in feedback.

Justification for objective feedback: "Your score is based on averaged performance of previous participants"

Justification for subjective feedback: "Your score is based on my evaluation of how well you are performing"

The selection of one of the feedback treatments to participants will be done randomly. The measurement of this variable uses categorical codes 1 and 2. Code 1 is for participants who are given objective feedback treatment, and code 2 is for participants who are given subjective feedback treatment.

The measurement of the feedback variable uses a Likert scale (1-7) to see the perceptions of the participants regarding the assessment made by the researcher during the experimental session, whether it is in accordance with the participants' abilities or not. In the manipulation check given, each participant is asked to state their perception by choosing one of the options from number 1 (the researcher likes) to number 7 (very objective). So that the higher the scale chosen, the more objective the feedback presented by the researcher. The answer according to the treatment given will be further processed.

### **Incentive Scheme**

The incentive scheme provided to participants is manipulated by two rate schemes, namely a fixed rate and a performance-based rate. In a fixed rate, the incentive payment received by participants is IDR 10,000, without being influenced by an increase or decrease in the performance of the task achieved.

In the performance-based rate treatment, participant incentive payments are directly linked to performance results and calculated based on the points received. Each point is calculated as IDR 1,000,000 and the total payment is based on the participant's number of points from the three sessions. For example: if a participant receives 3 points in the study session, 4 points in the training session, and 5 points in the work session, the participant will receive a total incentive of IDR 12,000 (IDR 3,000 + IDR 4,000 + IDR 5.000, -).

Manipulation check questions for treatment of incentive schemes, namely:

"Incentives provided by researchers:"

In accordance with the number of correct answers in the tasks performed by the participants. Same for every given assignment regardless of whether the answer is correct or not.

### **Task Performance**

Task performance is measured from the task achievement of identifying and providing transaction account codes by coloring. This task is carried out in 3 sessions, namely: study sessions, training sessions, and work sessions. Each session is given 3 minutes.

The task of identifying and providing transaction account codes by coloring in the prepared column, consisting of 20 account names along with their balances, are coded A1, A2 and A3 for groups of Asset accounts; Group of Liability accounts coded B1, B2, and B3; and the Equity account groups are coded C1, C2, and C3. The balance of each transaction account will determine the color in each column. A color interval is given at the top of each assignment and varies from sheet to sheet to avoid biased results.

Average task performance is 9 to 10 colored code columns, which are then set as the mean value 5. In this study the following interval scales will be used:

### **Data analysis method**

The data obtained will be processed and analyzed using different test analysis tools T test and ANOVA test to test the proposed hypothesis. Before testing the hypothesis, first the classical assumption test is carried out.

III. Result

Description

The participants of this experiment are 40 upper degree students. They are randomly grouped by type of feedback and incentive scheme. From this grouping, details of the number of participants who passed the manipulation check were obtained which are presented in the following table:

Table 2 Participant Number passed by Manipulation Check

No	Group	n	failed	passed
1	PO	10	1	9
2	PS	10	0	10
3	FO	10	1	9
4	FS	10	0	10
	Total	40	2	38

Based on the table above, it can be seen that of the 40 participants who took part in the experimental process, 38 participants passed the manipulation check which would then be used as data for further processing, while the 2 participants who did not pass the manipulation check were not used as data for further processing. .

Data Analysis and Hypothesis Testing

Classical Assumption Test

Before testing the hypothesis using the T-test and Anova, the normality test using the Shapiro Wilk test is first carried out. This test is done to determine whether a parametric or non-parametric test is used. The results show that the data obtained are under normal conditions. This leads to testing using the T-test to determine whether different feedback and incentive schemes will result in different levels of task performance. The results of the normality test can be seen in table 3:

Table 3 Uji Asumsi Klasik

Variable	Shapiro wilk	Sig.	Signifikansi Levene's test
Task Performance vs Incentive Scheme	0,980	0,710	0,567
Task Performance vs Feedback	0,980	0,710	0,345
Task Performance vs Incentive Scheme and Feedback	0,980	0,710	0,068

From table 3, the results of the normality test using the Shapiro Wilk test, show that the performance of the participant's task given the treatment of incentive schemes, feedback, incentive schemes and feedback, has a significance value of more than 0.05, so it can be said that the data used in this study are distributed normally.

Hypothesis testing

Incentive Schemes - Task Performance

Hypothesis 1 (H1) proposed in this study aims to prove that participants with tiered tariff incentives provide better task performance results than participants with fixed rate incentives. Hypothesis testing is done using the independent sample t-test. In this study, the independent sample t-test for hypothesis 1 (H1) can be seen in table 4:

Table 4 Independent Sample T-Test (Incentive Schemes - Task Performance)

Independent Samples Test		t-test for Equality of Means	
		T	Sig. (2-tailed)
Incentive Schemes	Equal variances assumed	4,405	0,000
Feedback	Equal variances assumed	3,662	0,000

Based on table 5, the equal variances assumed a t value of 4.405 and a significance value of 0.000. These results indicate that the significance value is 0.000 <0.05, which means that there is a significant difference in the average task performance between incentive schemes with tiered and fixed rates. To answer the first hypothesis proposed, it can be done by looking at the average score of task performance for each participant.

**Table 5**Statistic Descriptives (Incentives Schemes on Task Performance)

	Task Performance	N	Mean	Std. Deviation	Std. Error Mean
Incentives Schemes	Based Performance	38	13,82	2,312	0,375
	Fix rate	38	11,55	2,165	0,351

Table 5 shows the average value of the task performance of participants with incentive schemes with tiered rates greater than the average score of performance of participants with incentive schemes with fixed rates (13.83 > 11.55). Thus H1 is accepted, which means that participants with tiered tariff incentives provide better task performance results than participants with fixed rate incentives.

**Feedback on Task Performance**

Hypothesis 2 (H2) proposed in this study aims to prove that participants with objective feedback provide better task performance results than participants with subjective feedback. Hypothesis testing is done using the independent sample t-test.

Based on table 4 previously, the equal variances assumed a t value of 3.662 and a significance value of 0.000. These results indicate that the significance value is 0.000 < 0.05, meaning that there is a difference between the delivery of feedback that is reviewed objectively and subjectively to task performance. To answer the second hypothesis proposed, it can be done by looking at the average score of task performance for each participant.

**Table 6**Statistic Descriptive (Feedback on Task Performance)

	Task Performance	N	Mean	Std. Deviation	Std. Error Mean
Feedback	Objective	38	13,95	2,449	0,397
	Subjective	38	12,03	2,112	0,343

In table 6, the average score of the task performance of participants who were given objective feedback was greater than the average score of the task performance of participants who were given subjective feedback (13.95 > 12.03). Thus H2 is accepted, which means that participants with objective feedback provide better task performance results than participants with subjective feedback.

**Incentive and Feedback Schemes on Task Performance**

Hypothesis 3 (H3) proposed in this study aims to prove that participants with performance-based incentives and objective feedback provide better task performance results than participants with fixed rate incentives and subjective feedback. Hypothesis testing is done by using two ways ANOVA testing. In this study, testing two ways ANOVA for hypothesis 3 can be seen in table 7:

**Table 7** Two Ways ANOVA (Incentive Schemes and Feedback on Tas Performance)

Test of Between-Subjects Effects						
Dependent Variable: Task Performance						
Variabel	Sum Square	of	Df	Mean Square	F	Sig.
Incentive Schemes	47,253		1	47,253	10,668	0,002
Feedback	35,411		1	35,411	7,994	0,008
Incentive Schemes x Feedback	19,463		1	19,463	4,394	0,044

R Squared = 0,397 (Adjusted R Squared = 0,344)

Table 7 shows that the incentive scheme has an effect on task performance. This can be seen from the F value of 10.668 with a significance value of 0.002 less than 0.05, which means that there is a difference in task performance between the incentive scheme with tiered and fixed rates. From the results of the two ways ANOVA test above, it also shows that feedback can affect task performance as well. This can be seen from the F value of 7.994 with a significance value of 0.008 less than 0.05, which means that there is a difference in task performance between objective and subjective feedback. The results of the interaction between the incentive and feedback schemes give an F value of 4.394 and a significance value of 0.044 less than 0.05, which means that there is an interaction between the incentive scheme and feedback on task performance. Adjusted R Squared is 34.4%, which means that the variability of task performance which can be explained by the incentive scheme variable, feedback, and the interaction between the incentive and feedback scheme is 34.4%.

To answer the third hypothesis proposed, it can be done by looking at the average value of the task performance of each experimental group. The average value of task performance for each group can be seen in table 9:

Table 8 Task Performance Scores

		Incentives Schemes	
		Performance-based	Fix rate
Feedback	Objective	15,67	12,00
	Subjective	12,30	11,50

Based on the table above, it can be seen that the average value of the task performance of the group of participants who are given an incentive scheme with tiered rates and receive objective feedback is greater than the group of participants who are given an incentive scheme with a fixed rate and receive subjective feedback (15.67). > 11.50). Thus H3 is accepted, which means that participants with tiered rate incentives and objective feedback provide better task performance results than participants with fixed rate incentives and subjective feedback.

#### IV. Discussion

##### Incentive Schemes on Task Performance

The results of this study indicate that participants with performance-based incentives will provide better task performance results than participants with fixed rate incentives. The incentive scheme in this study has indicators, namely performance, time duration, and evaluation. The provision of an incentive scheme is based on the performance generated by participants through task completion, where in the process of completing tasks, participants are given a certain duration of time and will be given an evaluation through the delivery of feedback.

This study confirms Goal Setting Theory which states that goals must be clearly measurable, unambiguous, and there is a certain timeframe set to motivate task completion. In this study, the principle of clarity is illustrated through the provision of incentive schemes, namely performance-based and fixed rates. Based on the experimental process that has been carried out, it turns out that participants who receive incentive schemes at graded rates can make better use of their time to complete each given task and through submitting an evaluation of the results of their task performance it turns out that they provide more motivation to complete the task in each experimental session, compared to participants who receive incentive schemes at fixed rates.

The results of this study confirm to the research of Chong & Leung (2018) and Haditya et al. (2017) which shows that incentives have a significant positive effect on task performance, the greater the addition of financial incentives provided, the greater the increase in task performance. The results of research by Sinaga (2014) and Arniati (2012) also state that granting multiple tier incentives will motivate individuals to complete their job performance more than the fixed rate incentive scheme. This is reinforced by research by Apriwandi (2010) which proves that incentives in the form of salaries and bonuses are now no longer a necessity, and suggests that managers use performance-based incentives to improve the job performance of each employee.

##### Feedback on Task Performance

The results showed that participants with objective feedback provided better task performance results than participants with subjective feedback. Feedback in this study is measured through three indicators, namely information, reinforcement, and motivation. The information referred to is related to the assignment of scores for the performance of the tasks that have been completed by the participants, while the reinforcement indicators relate to how the researcher provides feedback in order to encourage participants to understand the assigned task so that participants are motivated to develop their strategies to improve their task performance.

This study confirms Goal Setting Theory which states that individuals will work better if they get feedback on how well they are progressing in achieving these goals because this feedback can help identify mismatches between what is done and what they want to do. In this research, feedback is conveyed objectively and subjectively.

Based on the experimental process that has been carried out, it turns out that participants who receive information in the form of scores for their task performance, which are conveyed by the researcher objectively are more able to encourage understanding and can further motivate participants to complete the assigned task, thus providing better task performance results compared to participants who receive feedback subjectively.

The results of this study confirm to the research of Chong & Leung (2018), Christ et al (2016), and Bruun-olsen & Eian (2015) who found that providing objective feedback can improve task performance completion more consistently when compared to providing feedback. turning subjective. Strengthened by Johnson (2013) which suggests combining evaluation and providing objective feedback to assess task performance



### **Incentive and Feedback Schemes on Task Performance**

The results showed that participants with tiered rate incentives and objective feedback provided better task performance results than participants with fixed rate incentives and subjective feedback. In the management control system, the provision of an incentive scheme plays a role in encouraging and motivating each employee to be able to work with optimal abilities, while providing feedback serves as the provision of information related to the performance of completed tasks.

This study confirms the clarity principle of the Goal Setting Theory which is described through the provision of fixed rate incentive schemes and performance-based rates. The Goal Setting Theory states that individuals will work better if they get feedback on how well they are progressing in achieving goals, including in completing each task performance, therefore in this study the feedback is given objectively and subjectively.

Based on the experimental process that has been carried out, it proves that participants who receive incentives with performance-based and receive information in the form of objective feedback are more motivated so that they can work with optimal ability to produce better task performance compared to participants who receive incentives at fixed rates and subjective feedback.

The results of this study are in line with research conducted by Chong & Leung, (2018), Christ et al, (2015), and Bruun-olsen & Eian, (2015) which state that increasingly objective performance feedback facilitates learning, compensation schemes by providing incentives increasingly stratified encourages individuals to make the best efforts, and the level of goals set has a motivational effect on the individual. Strengthened by research from Kvaløy et al, (2015) and Apriwandi (2010), it provides empirical evidence of the effect of performance-based incentives and objective types of feedback on the relationship between motivation and task performance.

### **V. Conclusion**

The management control system described through Goal Setting Theory requires a proper design to achieve the desired goals. Five principles that must be met for that include clarity, challenge, commitment, feedback, and task complexity (Locke & Latham, 2013).

The experiments carried out were designed to fulfill the five principles, starting from the clarity of the tasks to be carried out along with the clarity of the incentive schemes that would be obtained after carrying out them, the tasks that were designed were relatively challenging and complex for participants who followed them, and feedback on the performance that had been achieved. The results show that of the performance of participants who receive a performance-based incentive scheme will be higher than the performance of participants who receive a fixed rate incentive scheme. In other words, the policy of an incentive scheme in an organization has an effect on the performance of individuals in it.

After a certain individual performs a task, he should receive feedback on his performance. Feedback given objectively turned out to be able to encourage individuals to achieve better performance than if the feedback was given subjectively.

In the end, the interaction of feedback and incentive schemes is proven to be able to influence the performance of tasks produced by individuals. The results of this study indicate that participants who receive a tiered tariff incentive scheme and feedback objectively provide better task performance results than participants who receive a fixed rate incentive scheme and feedback subjectively.

In addition to having implications for management control practices in an organization, the results of this study are able to enrich research carried out using an experimental approach. With a task design that is tailored to the conditions of the participants, this experiment is expected to be able to inspire further research to get closer to the design of the task as it applies to the real world, including the use of participants who are more relevant and have more experience carrying out real tasks in their organization / company.

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