

HUMAN RESOURCES PRACTICES AND EMPLOYEE PERFORMANCE: THE ROLE OF WELFARE MEDIATION AND AWARDS MODERATION

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ABSTRACT: This study examines the relationship between Human Resource Practices (HR) and employee performance that the item was given an additional feature through the mediation of welfare and moderation of appreciation, increasing employee performance at work, especially for companies located in Industrial Estates and Warehousing Areas in Tangerang regency. This research is an extension of previous research by adding a Moderation of appreciation to previous research. Design/methodology/approach - structural equation modeling does use to analyze survey data taken from a sample of 300 employees in a company located within the Industrial Estate and Industrial Warehouse in Tangerang. This research shows that the Practice of Human Resources has a positive influence on increasing employee performance. The practice of Human Resources has a positive impact on employee welfare. Well-being has a positive effect on Employee Performance. The indirect relationship between the HR variable on employee performance through the Welfare variable, there is a positive relationship and a significant impact. There is a strong correlation between employee performance and the reward variable. The connection between these two things is excellent and essential. Every one of these proposed explanations is rooted in prior research. It can be explained that good HR practices will improve employee welfare and performance because all aspects related to good HR will provide positive factors for employees. The implementation of physical and social interest with Human Resources and prizes and recognition of their performance will bind employee motivation and make workers innovate.

Keywords: Management performance, employee behavior, employee attitude, motivation, best practice, human resource management.

I. INTRODUCTION

The impact of the human resource Practice dimension on employee performance has attracted a lot of attention in the human resource management literature over the past 25 years (Van De Voorde and Beijer, 2015). In the last two decades, many researchers have begun to focus directly on results that point to employees, such as employee welfare, and take a closer look at what effects HR practices have on employee welfare (Jiang et al., 2012). Much has also been studied regarding the role of employee welfare as a mechanism by which HR practices affect employee performance (Fisher, 2010; Van De Voorde and Beijer, 2015). to provide employment possibilities, with each employee having a positive effect on the other, welfare is needed, where prosperity results from mediation between human resource practices (Khoreva & Wechtler, 2018). This analysis reveals significant differences in human resource practice criteria and some similarities between countries related to human resource management (HRM) practices affecting the quality of employee job performance, and rewards are needed to improve employee performance. (Karami, 2013). How a company can maintain a declining employee performance requires good HR management and practices good, so that HR practices can benefit employee performance and employee welfare. Meanwhile, other dimensions of employee welfare provide results that call for possible complex tradeoff patterns between HRM, different dimensions of employee welfare, and employee performance (Boxall et al., 2016; Peccei et al., 2013).

Currently, quality human resource (HR) practices are needed to influence the quality of employee performance. Apart from investing heavily in wages and salaries, the company also made significant investments in human resources recruitment (Byars et al., 2004). For this reason, management must create a career path for all employees and HR human resource practices (Jyoti & Rani, 2015). Human resource (HR) management practices are thought to be a source of continuing competitive advantage in employee work. Therefore, it can be believed that placing a balance between intrinsic and extrinsic motivation can lead to satisfaction resulting in higher employee performance. (Janssen and Yperen, 2004). Welfare indirectly affects employee productivity at work (Mirabito and Berry, 2015).

Human resource (HR) practices can also provide motivation and provide opportunities to improve abilities (Jiang et al., 2012). This study focuses on dimensions such as employee psychological, physical, and social well-being (Gardner et al., 2011), and giving awards for employee performance can provide employee welfare (Grant et al., 2007). to help ensure employees are well-cared for in human resources, there are frequent

exchanges in various dimensions of employee welfare, where one aspect of employee welfare will increase, and another part of employee welfare will decrease. (Grant et al., 2007). Many of the workforces continue to experience changes to become more modern, and this makes the dynamics in human resource practice whose work is considered more challenging if given an award. (Indrayanti, 2019).

Empirical evidence regarding the trilateral relationship between HRM, employee welfare, and employee performance shows that HRM has a positive effect on various dimensions of employee performance because it creates a positive impact on employee happiness (Devonish, 2013; Jiang et al., 2012; Van De Voorde et al., 2012). However, several studies have shown that HR practices can lead to higher levels of stress, fatigue, and work intensification, which have a negative impact on the physical well-being of employees (Alfes et al., 2012). Khoreva & Wechtler (2018) describe the relationship between human resource (HR) practices on employee performance and the role of welfare mediation on human resource (HR) practices and well-being that were studied in professional service companies in Finland. At the same time, Karami (2013) explained the need for rewards to improve welfare and improve employee performance. This research gap with previous research Khoreva and Wechtler (2018); Pawar et al. (2016), namely that the earlier researchers did not include the reward variable, which is a moderating variable of well-being, be it emotional well-being. Another difference this research conducted on various industrial manufacturing companies in the industrial and warehousing areas in Tangerang was psychological well-being, social welfare, and spiritual well-being, Indonesia.

The urgency of this research is to contribute to the development of human resources (HR) in manufacturing companies in the Warehousing Industry Complex in Tangerang, Indonesia. In addition, it is necessary to validate previous studies further using multi-source data based on assessments from different perspectives. However, in this study, the researchers conducted a purposive sampling method for employees to determine the extent of awarding on employee welfare during the current COVID-19 pandemic in Indonesia. At the same time, this study aims to see the importance of the role of influence giving rewards to welfare as a material to improve the quality of performance. Meanwhile, the research location is in a company within the Industrial and Warehousing Area in Tangerang, Indonesia. Hopefully, this research can provide input to company leaders and contribute to organizational management scholarly and provide positive managerial implications for companies in the Tangerang Regency of Indonesia, especially those in Industrial Estates and Warehousing.

II. LITERATURE REVIEW

Reward

The reward management system will positively and significantly affect employee performance (Karami, 2013). Therefore, employees are more likely to involve themselves in the workplace to the extent that they receive a greater appreciation for their role performance (Maslach et al., 2001). In addition, a sense of return on investment can come from external rewards and recognition in addition to hard work. Surprising, however, is the scarcity of academic studies on this topic—employed people's interest in academic research (Gardner et al., 2011).

Reward Research In general, the reward system can be seen from several actions from the corporate and individual points of view. This caused tension for the company. First, under the same conditions, people intend to find companies that can provide the highest prizes. The surprisingly little amount of research on Thus, the company can attract competent and qualified employees by offering bonuses. Second, gifts given to employees instead of service compensation are a tool to receive feedback on previous performance. Third, gifts can be used as a motivational tool to improve future performance. Therefore, (Karami 2013).

The incentive system is one of the most fundamental dimensions when it comes to the human resources management process and service remuneration. because one of the areas of this task is to design and implement a plan of employee wages and benefits. (Wright et al., 2007). Research and experience on the concept of performance enhancement have proven that effective and timely feedback can be considered as motivation to increase employee productivity and morale (Karami et al., 2013). Companies usually focus on what managers and employees call rewards and emphasize specific values and direct their behavior to those values (Podhame, 2004). During work, welfare is paramount, especially in career advancement. This can increase self-esteem, power, and social position because work is a form of appreciation. (Wrzesniewski and Gamst, 2002).

Human Resources Practices (HR)

Suppose a firm wants to create competitive human resources. In that case, HR planning is the essential part of their overall business strategy (EH & Setiyati, 2019), so that human resources (HR) practices done that can provide motivation and provide opportunities to improve employee capabilities (Jiang et al., 2012) that is reliable. This will affect the company's development, primarily because it is directly related to human resources (HR), an important asset. Human resource (HR) practices can also provide motivation and provide opportunities to improve capabilities (Jiang et al., 2012).

Skills and capabilities of human resources (HR) doneed into organizational practice, and there is a need for a good and reliable human resource planning system in HR planning. Once a business sets out to improve management, this is the first action that must be done—a greater emphasis on human resources(EH and R. Setiyati, 2019). The impact in the application of human resources (HR) to employee performance is a lot of the human resource management literature(Janssen and Yperen, 2004). In these two decades, researchers have also begun to focus on researching employee outcomes centered on prosperous employees and seeing more clearly the effects of human resource (HR) practices on employee welfare. (Jiang et al., 2012). Human resources start from withdrawal, selection, training, and development,including promotion, demotion and transfer, performance appraisal, compensation, industrial relations, and termination of employment, which aim to increase the productive contribution of human resources. (R. Setiyati et al., 2018), According to (Prasad et al., 2016), workstresses caused by lack of resources and equipment, working unsuitable working hours such as working overtime,and organizational Climate Care is considered contributors to employee stress. So that the welfare expected by employees is not fulfilled, therefore with the role of competent human resources (HR) practices that can provide motivation and provide opportunities to improve capabilities.(Jiang et al., 2012).

Employee Performance

Increasing individual employee performance will result in overall employee performance, which can be seen from increased work productivity (*Hidayati et al., 2008*), an employee's performance is an individual matter. As a result, each employee has a unique capacity to do their duties. Management can measure employees for their work performance based on the performance of each employee. Performance is an action, not an event. The performance action itself is made up of many components and is not an immediate visible result. Therefore, in this study, we must first distinguish the broad meaning of the word performance (performance) and performance in a narrower sense (job performance), or what is more commonly called work performance. Performance can be defined as a person's level of proficiency in carrying out tasks that are part of his job(Byars et al., 2004). Performance is a multi-dimensional concept covering three aspects, namely attitude, ability, and accomplishment.

Well-Being

Prosperity is a process of community life that is safe, peaceful, peaceful, just, and prosperous. In general terms, prosperity refers to a good state, the human condition in which the people are successful, in a state of health and peace. In the economy, prosperity doesassociate with material gain. Prosperity has a particular official or technical meaning (see welfare economics) regarding the social welfare function. In social policy, social welfare refers to the range of services to meet community needs. This will be the term used in the idea of a prosperous state. The importance of human resources in the company is very influential on the production results in a company. Therefore, the welfare of human resources in the company must be maximally supported, either by being given motivation, organizational training, or other benefits. When theinterest of the human resources in it is fulfilled, performance will also increase(Chandra, 2013). During work, attractionis significant to motivate employees to work, especially in career advancement. This can increase self-esteem, power, and social position because work is a form of appreciation.(Wrzesniewski and Gamst, 2002), Employees who perform work tasks, psychologically and physically, and low control workersare at higher risk for poor welfare (Jonge et al., 2000). Meanwhile, increase psychological and physical well-being can increase employee performance improvement (Sainaghi, 2010). Employee Welfare Programs that have a facilitative effect are significant and positively impact morale and performance variables. Mishas a considerable impact andpracticalimpact on job performance (Ramadhany et al., 2003).

III. HYPOTHESIS OF VARIABLES RELATIONSHIPS

Relationship between Human Resources Practice (HR) and Employee Performance.

The integral role of human resource (HR) practices in the company plays an essential role in influencing the efficiency and effectiveness of employees, which helps them be engaged and fully involved in their work. (Smeenck et al., 2008).Human resourcepractices As a single practice, training and employee development and participation also positively affect employee performance. (Indrayanti, 2019)Therefore, when employees use different human resource (HR) practice dimensions, they are expected to show their performance has improved.

The relationship between the two variables above can also be explained by the tendency of human resource practices to make a significant contribution to employee performance, so the initial hypothesis is proposed as follows:

H1: Human resource practices improve employee performance

The relationship between human resource (HR) practices and employee welfare

The relationship between human resourcepractices and welfare needs to be done by giving greater attention to employee welfare. Psychological and physical well-being can increase employee performance improvement(Sainaghi, 2010). Indeed, when employees work in a friendly, stress-free, and physically safe

environment, they do their job better(Khan et al., 2013). Therefore, you may make a case for it that Human Resource Practices create both physically and socially successful workers, as long as these practices ensure the workplace is more pleasant, thereby benefitting both present and future employees (Tehrani et al., 2007).

H2: Human resourcepractices have a positive effect on employee welfare

Relationship between Employee Welfare and Performance

The effects of the work environment, employee personality, and psychological climate at work are often seen based on job happiness and satisfaction, affective commitment, and employee moods in the workplace. (Gibbons and Fish, 1989). Employee welfare is essential for linking the different dimensions of human resource practices and employee outcomes(Jiang et al., 2012). The more employees who use additional human resource (HR) practices, the more they will feel valued and considered. (Khoreva and Wechtler, 2018). Because they think they have been treated well so that they will believe that they are prosperous, the more the employee's performance gives psychological and social welfare. However, themore innovative they are in line with the social exchange perspective journey, it will cause high work pressure, stress, fatigue, and work intensification, leading to decreased physical well-being. So further research doespropose the initial hypothesis as follows:

H3: Welfare has a positive effect on employee performance

Indirect Relationship Between HR Variables and Employee Performance through Welfare Variables

Well, welfare Psychologically and physically can improve employee performance (Saks, 2006). Indeed, when employees work in good HR practices, they do their job better in a friendly, stress-free, and physically safe environment (Currie, 2001). In addition, HR Practices also provide high-performance improvements to employees if the welfare obtained is also high for employees, so that it has a significant influence on employee performance. With the impact of good HR practices and the provision of guarantees to employees regarding their welfare, the employee's performance will be high. The company benefits from the high performance of the employees.

Our findings support the idea that wasusing multiple HR practices and employee performance benefits and one type of employee welfare while detrimental to a different kind of employee well-being. According to Peccei (2004), strategic HRM positively affects employee performance but affects employee welfare. Overall, we expect that employee psychological and physical well-being is related to perceived HR practices and employee performance. Therefore, we may offer the hypothesis as follows.:

H4: HR Practices have a positive effect on Employee Performance through Welfare Variables.

Award Relationship

Awards are believed to have a positive influence on employee welfare and indirectly create physical and social well-being. During work,interest is significant, especially in career advancement. Work is a way of showing gratitude for yourself and others, and a rise in one's self-esteem, power, and social standing accompanies this by giving rewards to employees to increase motivation and morale and increase employee loyalty to the company.

Giving awards to employees will have a positive impact on employee performance in doing their work. Thisis also conveyed by Indrayanti (2019)that employee performance will change to become more modern and more challenging if employees doreward. The exact words were also uttered by (Imanullah Putra et al.2018)regarding Giving awards to employees positively affecting the welfare of employees, both directly and indirectly. Giving rewards positively affects the physical well-being of employees and social (Sainaghi, 2010andJonge et al., 2000), and employee performance will significantly increase. Based on this, regarding the reward variable, the hypothesis in this study is obtained as follows:

H5: Rewards will improve the relationship between employee welfare and employee performance.

Based on the theoretical framework above, the research model can be described in Figure 1 below:

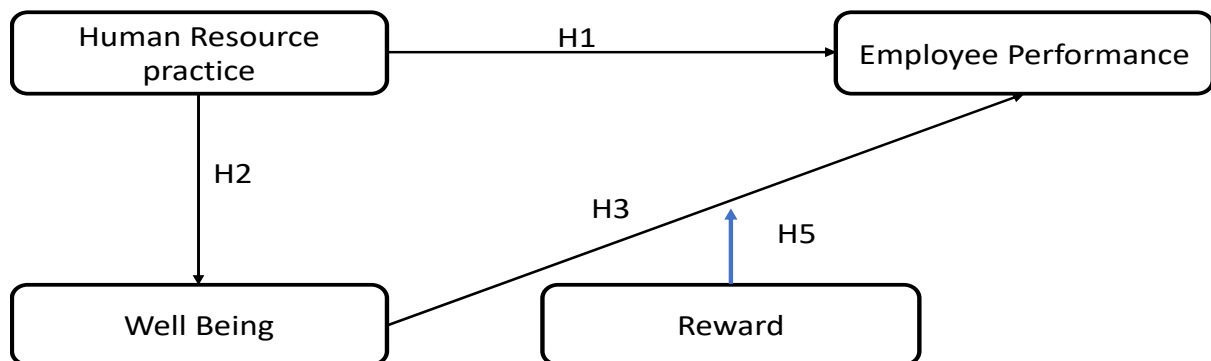


Figure 1: Research Model Framework

IV. RESEARCH METHODOLOGY

To do this research, distribute questionnaires to the participants, gather data via a survey, and then review and organize that data using an excel program. Likert Scale measurements were performed using a scale of 1-7. (1 = disagree and 7ly agree). Reward variable measurement (Reward) is adopted from(Saks 2006)consists of 10 questions. Inconsistence Welfare (Well-Being) adopted from(Grant, Christianson, & Price, 2007) consists of 16 questions. HR Practices variables adopted from(Tharenou et al. 2007) consist of 13 questions. It is believed that all job performance variables are as follows:(Janssen and Yperen, 2004; Fu et a,l., 2015) consists of 6 questions. The total measurement is 50 questions. Respondents of this study were conducted randomly (random sampling) and were taken from employees in the Industrial and Warehousing Areas in Tangerang Regency, Indonesia. The sample criteria were staff employees to managers. This is done to see whether the employees whose companies are located in the Industrial and Warehousing Area in Tangerang Regency are already prosperous by being given work awards from their organizations. The data collection technique begins with distributing pre-test questionnaires to 30 respondents.

The research was conducted in a quantitative study using the Structural Equation Model (SEM) method and processing and analyzing data using SPSS 23 and Lisrel 88 software. Based on the results of pre-test data processing, the study conducted a factor analysis to test the validity and reliability with SPSS. The validity test was carried out by looking at the Kaiser-Mayer-Olkin (KMO) measurement value and the Measure of Sampling Adequacy (MSA). KMO and MSA values must be greater than 0.5, which means that the factor analysis is appropriate. Reliability test using Cronbach's Alpha measurement. The more Cronbach's Alpha value is closer to 1, the better (Hair et al., 2014). After analyzing the pre-test results, the 50 questions that were declared valid to be used as a questionnaire in this study were 48 questions.(Hamdollah and Baghaei, 2016) Then the number of samples in this study was 250 people, taking into account the reserve if there was unsuitability in filling out the questionnaire.

V. RESULTS

Respondents of this study were employees who worked in companies domiciled in Industrial and Warehousing Areas in Tangerang Regency, as many as 294 respondents with different levels of positions, managers consisted of 23.6% of respondents, Supervisors consisted of 20.6% of respondents the, staff consisted of from 53.6% of respondents, Office boy as much as 1.6% of respondents. For S2 respondents, as much as 7.3% of respondents, S1 as much as 59.6% of respondents, SMA 3.3% of respondents.

Descriptive Analysis

Based on Table 4.1, it can be seen that the majority are male (59.87%), and the rest are female. 63.5 percent of them have taken undergraduate education (S1), 29.1 percent are high school, and the rest are Strata 2 (S2). As for the age range, if sorted from the large portion, 29.77 percent were between 25 and less than 30 years old, 26.09 percent were 20 to less than 25 years old. In terms of structural positions, the majority have positions as staff (55.18%), manager (23.75%), and SPV (20.74%).

Statistical Analysis

In this study, the first 30 respondents will test the validity and reliability. Suppose the data is declared valid and reliable. In that case, the data will be used and added 269 respondents followed by the confirmatory factor analysis test to path analysis in determining the direct and indirect relationship in this research model.

Validity test

A variable is declared valid if it has a KMO value > 0.05 and Factor loading > 0.6. In this study, tests were carried out on 30 respondents first, and the output results are summarized in Table 4.2. It can be seen that the indicators for each variable meet the requirements of the validity test where the KMO value is > 0.5 and Factor Loading > 0.6, so it can be concluded that no indication will be taken out and the indicator is declared valid.

Reliability Test

Appendix Table 4.3 shows that each variable has a Cronbach Alpha value greater than 0.6, and it can be concluded that all variables in this study are declared reliable.

Model Fit Test (Goodness of Fit)

The results of the fittest for the entire model in this study are described as follows:

Chi-Square and p-value

It can be seen in the Lisrel output that the chi-square value is 1615.21 with a p-value of 0.00, which indicates that the model lacks (poor fit) because the chi-square is higher than the chi-square table (df = 297) and the p-value is smaller than 0.05.

Root Mean Square Error of Approximation (RMSEA).

The RMSEA value of 0.03 indicates that the model is good (Good Fit) because it meets the requirements, which are not greater than 0.08 (≤ 0.08).

Non-Normed Fit Index (NNFI)

The NNFI value ranges from 0 to 1, where the higher the resulting value, the better the model used. In this case, the NNFI value is 0.99, which means that the model is good to use (good fit).

Normed Fit Index (NFI)

The NFI value is 0.98, which can be concluded that the model is declared good (good fit).

Parsimony Normed Fit Index (PNFI)

The PNFI requirements also get a value of 0.94 (≥ 0.90), or higher than the standard value required so that this result explains that the model is fit for use (good fit)

Comparative Fit Index (CFI)

In terms of the CFI, the score is 0.99 (≥ 0.90), or higher than the standard value required so that this result explains that the model is fit for use (good fit)

Incremental Fit Index (IFI)

I value declared good fit if ≥ 0.90 , where the output of lisrel shows a value of 0.99 or higher than the required standard value so that this result explains that the model is feasible to use.

Relative Fit Index (RFI)

The RFI value is 0.98 (≥ 0.90), which can be concluded that the model is declared feasible (good fit).

The goodness of Fit Index (GFI)

The GFI value is 0.80, which can be concluded that the model is declared marginal fit because the value is between the requirements ≥ 0.80 and <0.90 .

Adjusted Goodness of Fit (AGFI)

The AGFI value is 0.81 (≥ 0.90), which can do be concluded that the model is declared marginal fit because it is in between ≥ 0.80 and <0.90 .

Parsimony Goodness of Fit (PGFI)

The PGFI value is 0.76 (≥ 0.90), which can be concluded that the model is declared not feasible (poor fit) because it is below the marginal fit, which is at least 0.8.

Based on the results of the fittest above, seven criteria are declared good fit, and twostandards meet marginal fit, which means that the model can be continued for structural testing because it has been declared fit or fit.

Coefficient of Determination (R-Square)

The coefficient of determination or R-Square can be interpreted as how much the dependent variable is represented by the variation of the independent variable in the research model.

It can be seen that the R-square value of KP is 0.82, which means that the employee performance variable (KP) is represented by 82% by variations in HR, Rewards, and Welfare, and the remaining 18% is characterized by variations in other variables. For Welfare (K), the R-square value is 0.36, which means that this variable is represented by 36% by variations in HR, while the remaining 64% is represented by variations in other variables.

Structural Model Analysis

After analyzing the Confirmatory Factor Analysis (CFA), the latent score for each latent variable can be measured. The next thing to do is interpret the model. The following will be presented the loading factor value for the measurement model of the SEM confirmatory factor analysis as shown in Figure 4.1, while the results of the 2 T Value diagram show that each loading factor has a value > 0.7 so that the latent variables are represented by each indicator and to find out the magnitude of influence and significance.

Direct Relationship (Direct Effect) and Indirect (Indirect Effect)

To see the magnitude of the influence of each variable and how significant the impact is, it can be seen from the coefficient and t-Stat values (> 1.97), summarized in Table 4.6.

Table 4.6. Model Hypothesis Test Analysis

Hypothesis	Hypothesis Statement	Score T-Value	Information
H1	<i>Human resource practices improve employee performance</i>	3.08	The data support the hypothesis
H2	<i>Human resource (HR) practices have a positive effect on employee welfare</i>	9.68	The data support the hypothesis
H3	<i>Welfare has a positive effect on employee performance</i>	5.87	The data support the hypothesis
H4	<i>HR Practices have a positive effect on Employee Performance through the Welfare Variable.</i>	5.37	The data support the hypothesis
H5	<i>Rewards will improve the relationship between employee welfare and employee performance.</i>	8.41	The data support the hypothesis

Source: Lisrell 8.8

In the structural model analysis, the direct relationship between HR (PS) and Employee Performance (KP), there is a positive relationship of 0.20 and a significant effect on the t-stat value of 3.08 (> 1.96). Thus, hypothesis 1 can be accepted, and there is a considerable influence between HR on employee performance. In the structural model analysis, the direct relationship between the HR variable (PS) and Employee Welfare (K), there is a positive relationship of 0.60 and has a significant effect on the t-stat value of 9.63 (> 1.96). Thus, hypothesis 2 can be accepted, and there is a considerable influence between HR and Welfare. In the structural model analysis, the direct relationship between the Welfare (K) variable and Employee Performance (KP), there is a positive relationship of 0.27 and has a significant effect on the t-stat value of 5.87 (> 1.96). Thus, hypothesis 3 is accepted, and there is a considerable influence between welfare on employee performance. In the structural model analysis, the indirect relationship between the HR variable (PS) on employee performance (KP) through the Welfare (K) variable has a positive association of 0.16 and has a significant effect on the t-stat value of 5.37 (> 1.96). Thus, hypothesis 4 can be accepted, and there is a considerable influence between Human Resources Practitioners on employee performance through the welfare variable. In the structural model analysis, the direct relationship between the reward variable (HP) on employee performance (KP), there is a positive relationship of 0.57 and has a significant effect on the t-stat value of 8.41 (> 1.96).

VI. DISCUSSION

This study intends to explore the influence and linkages between human resource practices, employee welfare, and employee performance (Jiang et al., 2012), Human resource practice, employee welfare (K), and employee performance as mediation moderated by Employee Awards. This test shows that the method of human resources has a positive effect on improving employee performance. This is confirmed by (Kurniawan 2012). The development of human resource practices has a concept for self-development, training programs, and career advancement to meet organizational needs for future skills in order to build employee performance, to achieve specific goals through the communication process (Ruvendi, 2005; Mahampang, 2007).

These results indicate that Human Resource practices have a positive influence on employee welfare (K). This is in line with previous research. (Khoreva and Wechtler, 2018); (Tehrani et al., 2007), Therefore, employees who are fit and experience a level of social well-being are more likely to experience a sense of satisfaction which enables them to achieve everything through innovative work performance. Likewise, welfare can increase self-confidence and can encourage feelings of having the ability to work better and effective work performance (Bandura, 1989). Finally, employee welfare can encourage employees to survive when facing complex challenges at work because it produces creative and innovative performance and can thus improve work performance and foster their creativity in doing their job. The results of this study, the results prove that Welfare (K) has a positive effect on Employee Performance. Basically, there are many opinions suggested that in research Human Resources Management and its policies need to do a lot of greater attention to be able to advance employee welfare (Currie, 2001). This opinion is also supported by the results of research conducted by Aris Sugiharto (2011) and Jaya Bahwiyanti (2013), which state that welfare has a positive and significant effect on employee performance. Human resources are one of the main factors in determining the success of a company. Therefore, employees need to be managed to stay productive. Employees who have high loyalty and dedication and have experience and potential in their field of work are essential partners and are one of the factors that support the company's success in running the company. To be able to retain employees, especially those who have high achievement. One of the ways that companies can do this is by providing welfare to their employees. The purpose of giving interests employees is to help employees meet their needs beyond the need for fairness, physical needs in an effort to increase employee commitment to the company, improve performance, reduce work turnover, and reduce the disruption of demonstrations as a significant factor in efforts to increase company effectiveness (Haiandja, 2002). Based on this description, it can be seen that giving welfare to employees fairly and adequately stimulates employees to feel satisfied, comfortable, and happy at work so that employees can maximize the quality and quantity of their work so that there is a mutually beneficial reciprocal relationship between the company and employees.

Next, findings in this study it is proven that the structural model of the indirect relationship between the HR variable (PS) on employee performance (KP) through the Welfare variable (K) has a positive relationship and has a significant effect. This result is in line with the research. (Peccei, 2004) which shows a positive relationship and has a significant effect between HR practices on employee performance and an indirect connection through welfare. This explains that there is a relationship between HR practices, employees, interests, and employee performance. Our findings support the notion that using multiple HR practices on employee performance with an indirect association of employee well-being is highly correlated. The use of HR practices is felt to increase well-being. Furthermore, well-being strengthens the relationship between the use of HR skills practices and employee performance. Therefore, both skill and opportunity-enhancing HR practices reduce job pressure and improve quality work-life for employees.

Furthermore, the results of this test prove that the structural model has a direct relationship between the variable reward (HP) on employee performance. There's a positive relationship and has a significant effect. Giving awards to employees will have a positive impact on employee performance in doing them. This is following the research (Indrayanti, 2019); Imanullah Puget et al. (2018); Sainaghi (2010); Jonge et al. (2000), regarding the giving of rewards to employees positively affecting the welfare of employees, both directly and indirectly. Giving prizes positively affects employees' welfare physically and socially so that employee performance will significantly increase (Wrzesniewski and Gamst, 2002). If a business is in a dire financial situation, workers won't get any kind of raise or perk since that money is needed to help the company stay afloat. Therefore, the funds will be used to assist the business, while the workers will appreciate their place in the organization.

Finally, our findings show that workers' physical and social well-being are vital components to the connection between their perceptions of the application of HR skills practices and their opportunities for higher-level job positions and enhanced well-being. This last finding

VII. CONCLUSION

All of the hypotheses built in this study state that Human Resource Practices positively influence employee performance. Human Resources practices have a positive influence on employee welfare. Interest has a positive effect on Employee Performance. The indirect relationship between the HR variable on employee performance (KP) through the Welfare variable has a positive relationship and has a significant effect. There is a direct relationship between the reward variable (HP) on employee performance. There is a positive relationship and has a considerable impact. All of these hypotheses are following all previous studies. It can be explained that good HR practices will improve employee welfare and performance because all aspects related to good HR will provide positive factors to employees. Meanwhile, giving awards to employees improves employee performance because rewards will make employees feel valued, especially during the challenging conditions of the Covid epidemic.

A key management consequence of this study is that business success depends on employee well-being, and when effective HR policies implement, employee welfare will follow. Increasing, giving awards will have an impact on employee performance. Improving employee performance makes employees more committed and more motivated to do their jobs better so that employees will increase their work performance. Second, when many employees are prosperous, the employee's performance will expand to benefit from improved performance.

This study has several limitations and shows some directions for improvement in further research, namely, first, the research data is only carried out in one Iconic Multipurpose warehousing area. The two other studies can be carried out on service companies and manufacturing industry companies to obtain more objective and representative results with a broader scope. Additional investigation is recommended to examine the influences of employee performance and well-being on other factors. Different variables that influence employee performance also play a role.

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