*ABSTRACT*

*Ruben / 25140045/2019 / Effect of Reward and Punishment on Employee Performance at PT Matsuzawa Pelita Furniture Indonesia / Supervisor Ponco Priyantono, S.E., M.M.*

*Company that collaborate with several companies should pay attention to performance, performance which is the result of work in quality and quantity is closely related to human resources. Human resources is the most important resource compared to other resources in a company, therefore it is necessary to manage the use and development of human resources in a professional manner, for instance by providing rewards to meet the needs of employees and punishment to prevent or overcome violations. Reward and punishment have the same goal, which is the achievement of high employee performance.*

*This research was held at PT Matsuzawa Pelita Furniture Indonesia. The utilized method was quantitative method with causal - predictive studies. The variables in the thesis consist of independent and dependent variables. The independent variables are reward and punishment. The dependent variable is performance. The sample method used is purposive sampling. Data collection in this paper uses primary data sources through questionnaires, by distributing questionnaires to 50 respondents, and using secondary data sources including literature books and journals published in 2014 to 2018 and processing data using SPSS 20 software.*

*Conclusions from the results of research on the effect of reward on the performance of PT MPFI employees indicate that rewards affect the performance of PT MPFI employees and the results of research on the effect of punishment on the performance of PT MPFI employees show that punishment affects PT MPFI employees' performance.*

*Keywords: Reward, Punishment, Performance.*