**ABSTRACT**

**PT. Dayamitra Telekomunikasi (Mitratel) is a subsidiary company in the field of communication tower and infrastructure. Based on research at PT. Dayamitra Telekomunikasi (Mitratel), performance of the employees,as in construction of the tower seems to be delayed and the maintenance of tower happens to be early because there is problem within the construction, identified as the heart of problem. The problem assumed occurs because there is no bonus or incentive based on the employees’ performances as well as reward for long-term services from the company.**

**The objective of this research is to perceive the impact of incentive upon the performance of employees at PT. Dayamitra Telekomunikasi (Mitratel) Regional Office West Java. Methodology used in this research is descriptive research with quantitative approaches. Data collecting methods used in this research are library research and field research such as non-participant observation, interview, and hand over questionnaires to 23 respondents. Validity and reliability test, simple linear regression, hypothesis test, Spearman’s rank collection coefficient, and the coefficient of determination are used to analyze data.**

**Based on data collected from this research, 53.58% is the amount of contribution or the impact of incentive on employees’ performances. In other words, the variant of employees’ performances variable (Y) 53.58% is determined by the variant of incentive variable (X). The rest of 46.42% is obtained from other factors out of research such as motivation, environment, etc.**

**The difficulty faced by PT. Dayamitra Telekomunikasi (Mitratel) Regional Office Jawa Barat is they need headquarters approval to provide bonus and reward based on employees’ performances and service terms.**

**Recommendations derived from this research are arranging performance assessment of the employees to consider rewards; conducting group discussion within the employees to gather thoughts, needs, or critics for the company; improving the system to provide incentive; monitoring the construction more intensely; and maintaining good partnership in business.**

**Keywords: Incentive, performance**