

The Influence of Remuneration, Organizational Climate, Mutation, and Leadership on Performance

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ABSTRACT

This research aims to determine the influence of remuneration, organizational climate, mutation, and leadership on employee performance. This research method uses a quantitative approach because the data to be processed is ratio data, and the focus of this study is to determine the magnitude of the influence between the variables being examined. This research will be conducted at KPP Madya Surakarta. The planned time for the research is October - November 2024. The population in this study consists of all employees of the Madya Surakarta Tax Service Office, totaling 116 people. Based on the determined sample data, a sample of 26 employees with the position of executor and 40 employees with the position of Account Representative (AR) was obtained. Therefore, the sample in this study consists of 66 people. The dependent variable in this study is the performance of the employees of the Madya Surakarta Tax Service Office. Next, the independent variables in this study are remuneration (X1), organizational climate (X2), mutation (X3), and leadership. (X4). The research results show that remuneration, organizational climate, and mutation have a positive and significant impact on the performance of KPP Madya Surakarta employees. However, leadership does not have a significant impact on the performance of KPP Madya Surakarta employees.

Keywords: *employee performance, remuneration, organizational climate, mutation, and leadership.*

ABSTRAK

Penelitian ini bertujuan untuk mengetahui pengaruh remunerasi, iklim organisasi, mutasi, dan kepemimpinan terhadap kinerja karyawan. Metode penelitian ini menggunakan pendekatan kuantitatif karena data yang akan diolah adalah data rasio, dan fokus penelitian ini adalah untuk mengetahui besarnya pengaruh antar variabel yang diperiksa. Penelitian ini akan dilakukan di KPP Madya Surakarta. Waktu yang direncanakan untuk penelitian adalah Oktober - November 2024. Jumlah penduduk dalam penelitian ini terdiri dari seluruh pegawai Kantor Pelayanan Pajak Madya Surakarta yang berjumlah 116 orang. Berdasarkan data sampel yang ditentukan, diperoleh sampel 26 karyawan dengan posisi pelaksana dan 40 karyawan dengan posisi *Account Representative* (AR). Oleh karena itu, sampel dalam penelitian ini terdiri dari 66 orang. Variabel dependen dalam penelitian ini adalah kinerja pegawai Dinas Pajak Madya Surakarta. Selanjutnya, variabel independen dalam penelitian ini adalah remunerasi (X1), iklim organisasi (X2), mutasi (X3), dan kepemimpinan. (X4). Hasil penelitian menunjukkan bahwa remunerasi, iklim organisasi, dan mutasi berdampak positif dan signifikan terhadap kinerja karyawan KPP Madya Surakarta. Namun, kepemimpinan tidak berdampak signifikan terhadap kinerja karyawan KPP Madya Surakarta.

Kata kunci: kinerja karyawan, remunerasi, iklim organisasi, mutasi, dan kepemimpinan.

INTRODUCTION

The success of an organization can be seen from the level of performance of its employees in achieving targets. Good performance is one of the goals of every organization so that the goals of the organization are achieved. Performance is also referred to as the results of a person's achievements in accordance with the standards applicable to the job concerned. Knowing employee performance also shows the level of success of the institution and can be used as a measure of future productivity growth. Employee performance varies from one employee to another. The principles of efficiency and effectiveness are needed to achieve good staff performance.

Employees provide good performance for the progress of the company, while the company provides motivation, equal opportunities for each employee to develop, and provides appropriate remuneration for the performance that employees have given to the company (Pomoeng and Rombeallo, 2022).

Research on the effect of remuneration on employee performance has been conducted by Jazuli et al. (2023), Pomoeng and Rombeallo (2022), and Bakaring et al. (2023) which stated that remuneration has a positive and significant effect on employee performance. These results differ from research conducted by Alkahfi and Ramadhani (2023) which stated that remuneration does not have a significant effect on employee performance.

Employee performance is also influenced by organizational climate. Organizational climate is closely related to the process of creating a conducive work environment, so that harmonious relationships and cooperation can be created among all members of the organization. If the company has a good organizational climate, employees will feel comfortable working and be able to produce good performance (Juliandari et al., 2020). Research on the effect of organizational climate on employee performance has been conducted by several researchers including Suryana (2022), Sugiono et al. (2020), Muna et al. (2023) which states that organizational climate has a positive and significant effect on employee performance. This research is different from that conducted by Ramadhani & Sari (2023) which found that organizational climate had no effect on employee performance.

Furthermore, one way for organizations to optimize employee performance is by conducting job transfers. Job transfers are expected to provide refreshment for employees and explore their potential to develop them in all areas of work (Setyadi and Arisyahidin, 2023). Research on the effect of transfers on employee performance has been conducted by several researchers, including Fachrudin and Assery (2024), Sofiati and Septianto (2022), Fiqriya (2023), Setyadi and Arisyahidin (2023), Istianandar et al. (2023), Julianti et al. (2023) which states that motivation has a positive and significant effect on employee performance. Other research shows different results conducted by Widiyawanto & Muljaningsih (2023) stating that job transfers have a non-significant effect on employee performance.

Leadership in an organization also plays a very important role in achieving organizational goals. The Ministry of Finance, especially the Directorate General of Taxes, plays an important role in the development of the Republic of Indonesia, where

one of the goals of the organization is to collect tax revenues which are a source of state financing. The tax revenue target that has been set must be achieved in order to meet these needs. Achieving the tax revenue target means that employee performance can be realized (Fachrudin and Assery, 2024).

Research on the influence of leadership on employee performance has been conducted by Fachrudin and Assery (2024) and Rozi (2019) which states that leadership has a positive and significant effect on employee performance. The results of this study differ from those conducted by Saputri and Andayani (2018) which stated that leadership does not have a significant effect on employee performance.

The phenomenon that occurred at KPP Madya Surakarta shows that employee performance is not optimal. The amount of remuneration received is not in accordance with the high responsibility of employees for their work. The amount of remuneration so far is still considered insufficient due to the workload and high needs of employees when working far from home base. The organizational climate has not been created optimally due to frequent employee transfers. The mutation system that is too frequent and uncertain also causes high employee work stress which results in not achieving optimal performance. The head of the office is less able to pay attention to the problems of each employee because of the limited time and energy they have.

Based on the problems that have been stated in the background above, the author is interested in conducting research on the influence of remuneration, organizational climate, mutations, and leadership on employee performance.

RESEARCH METHODS

This research method uses a quantitative method because the data to be processed is ratio data and the focus of this study is to determine the magnitude of the influence between the variables studied. This research will be conducted at KPP Madya Surakarta. The reason the researcher chose KPP Madya Surakarta is because the researcher works at KPP Madya Surakarta, making it easier for the researcher to conduct research. The planned time for the research is October - November 2024.

The population in this study were all employees of the Surakarta Madya Tax Service Office, which were 116 people. Based on the sample data determined, a sample of 26 employees with positions as implementers and 40 employees with positions as Account Representatives (AR) was obtained. So the sample in this study was 66 people. The criteria for determining the sample were structural employees with positions as Account Representatives and implementers and a work period of more than 1 year.

The primary data sources in this study were the head of the Surakarta Middle Tax Service Office and employees of the Surakarta Middle Tax Service Office. The secondary data sources in this study were documentation and questionnaires distributed to employees of the Surakarta Middle Tax Service Office. The dependent variable in this study was the performance of employees of the Surakarta Middle Tax Service Office. Furthermore, the independent variables in this study were remuneration (X1), organizational climate (X2), mutation (X3), and leadership (X4).

RESULTS AND DISCUSSION

Table 1. Multiple Linear Regression Results

Variables	Regression coefficient	t statistics	Sig. t
Constants	-4.309		
Remuneration	.434	4.413	.000
Organizational climate	.391	5.201	.000
Mutation	.250	2,586	.012
Leadership	.144	1,835	.071
R square	0.691		
F statistics	37,365		
Sig. F	0,000		

Source: Processed primary data, 2024

Based on calculations using the SPSS 26 for Windows program, the results of the values a, b1, b2, b3 and b4 are as follows.

$$Y = -4.309 + 0.434 X_1 + 0.391 X_2 + 0.250 X_3 + 0.144$$

From the equation above, it can be explained as follows.

a0 = -4.309 is a constant that describes the average value of performance if the variables remuneration, organizational climate, mutation, and leadership are zero, b1 = 0.434. If the remuneration variable increases, then the performance will increase. The sign of the parameter b1 in the study above is positive. This means that the relationship between remuneration is positive (unidirectional), if the higher the remuneration, the higher the employee performance will be.

b2 = 0.391. If the organizational climate variable increases, then performance will increase. The sign of the b2 parameter in the study above is positive. This means that the relationship between organizational climate is positive (unidirectional), if the higher the organizational climate, the higher the employee performance will be.

b3 = 0.250. If the mutation variable increases, then the performance will increase. The sign of the parameter b2 in the study above is positive. This means that the mutation relationship is positive (unidirectional), if the higher the mutation, the employee performance will also be higher.

b4 = 0.144. If the leadership variable increases, then the performance will increase. The sign of the parameter b2 in the study above is positive. This means that the leadership relationship is positive (unidirectional), if the higher the leadership, the employee performance will also be higher.

Model Accuracy Test

F Test

The output results of the F test calculation, with the help of SPSS 26 for Windows, obtained an F count of 37.365 at the level of significance. $\alpha = 0.05$ while the significance value of the SPSS results obtained is 0.000. The calculated F value > F table (34.432 > 2.53) and the significance is 0.000, meaning that remuneration, organizational climate, mutation, and leadership simultaneously affect employee performance. This concludes that the model used has met the feasibility test.

Coefficient of Determination Test (R²)

The printout result of the determination coefficient calculation (R²) with the help of the SPSS 26 for Windows program, shows the R² value = 0.691. This means that the variance of the remuneration, organizational climate, mutation, and leadership variables can explain the performance variable by 69.1% and the remaining 30.9% is influenced by other variables outside the research variables.

Hypothesis Test (t-Test)

- a. H1: Remuneration has a positive and significant effect on employee performance.

Based on the analysis results, the t value for the remuneration variable is 4.413, which is greater than the t table of 1.997. The t value of 4.413 > 1.997 means that the null hypothesis is rejected and the alternative hypothesis is accepted. This means that there is an effect of remuneration on the performance of KPP Madya Surakarta employees, so H1 is accepted.

- b. H2: Organizational climate has a positive and significant effect on employee performance.

Based on the analysis results, the t value for competency is 5.201, which is greater than the t table. The t value of 5.201 > 1.997 means that the null hypothesis is rejected and the alternative hypothesis is accepted. This means that there is an influence of organizational climate on the performance of KPP Madya Surakarta employees, so H2 is accepted.

- c. H3: Mutation has a positive and significant effect on employee performance.

Based on the analysis results, the t value for mutation is 2.586, which is greater than the t table. The t value of 2.586 > 1.997 means that the null hypothesis is rejected and the alternative hypothesis is accepted. This means that there is an effect of mutation on the performance of KPP Madya Surakarta employees, so H3 is accepted.

- d. H4: Leadership has a positive and significant influence on employee performance.

Based on the analysis results, the t value for leadership is 1.835, which is smaller than the t table. The t value of 1.835 < 1.997 means that the null hypothesis is accepted and the alternative hypothesis is rejected. This means that there is no influence of leadership on the performance of KPP Madya Surakarta employees, so H4 is rejected.

Discussion of Results

Based on the results of testing the variables above, the following matters can be discussed.

1. The influence of remuneration on employee performance

Based on the analysis results, the t value for the remuneration variable is 4.413, which is greater than the t table of 1.997. The t value of $4.413 > 1.997$ means that the null hypothesis is rejected and the alternative hypothesis is accepted. This means that there is an influence of remuneration on the performance of KPP Madya Surakarta employees.

The results of this study are in line with those conducted by Jazuli et al. (2023), Pomoeng and Rombeallo (2022), and Bakaring et al. (2023) which states that remuneration has a positive and significant effect on employee performance. These results differ from research conducted by Alkahfi and Ramadhani (2023) which states that remuneration does not have a significant effect on employee performance.

Remuneration is a form of appreciation given by an organization to employees for their contributions. Competitive and fair remuneration can increase work motivation, welfare, and employee satisfaction, which in turn has a positive effect on employee performance. At KPP Madya Surakarta, adequate remuneration can create motivation for employees to work harder, achieve targets, and meet high service standards. When remuneration is considered fair, employees will feel appreciated and motivated to show optimal performance. This is in line with the incentive theory which states that employees who feel financially appreciated will be more committed and perform well.

2. The Influence of Organizational Climate on Employee Performance

Based on the analysis results, the t value for competency is 5.201, which is greater than the t table. The t value of $5.201 > 1.997$ means that the null hypothesis is rejected and the alternative hypothesis is accepted. This means that there is an influence of organizational climate on the performance of KPP Madya Surakarta employees.

The results of this study are in line with those conducted by several researchers, including: Sunrise, Sugiono et al. (2020), Muna et al. (2023) which states that organizational climate has a positive and significant effect on employee performance. This research is different from that conducted by The Last Supper (2023) resulted in the organizational climate having no effect on employee performance.

Organizational climate reflects the work environment formed by policies, structures, and relationships between individuals within the organization. A positive organizational climate, where there is a clear division of tasks, appreciation for achievement, and effective communication, has a significant impact on employee performance. At KPP Madya Surakarta, a supportive and conducive organizational climate will encourage employees to

work better because they feel supported, directed, and have room to grow. Conversely, a bad organizational climate, such as unclear tasks or lack of appreciation, can reduce employee morale and performance.

3. The Impact of Mutations on Employee Performance

Based on the analysis results, the t value for mutation is 2.586, which is greater than the t table. The t value of $2.586 > 1.997$ means that the null hypothesis is rejected and the alternative hypothesis is accepted. This means that there is an effect of mutation on the performance of KPP Madya Surakarta employees.

The results of this study are in line with those conducted by several researchers, including: Fachrudin and Assery (2024), Sofiati and Septianto (2022), The Story (2023), Setyadi and Arishahidin (2023), Istianandar et al. (2023), Julianti et al. (2023) which states that motivation has a positive and significant effect on employee performance. Other research shows different results conducted by Widiyawanto & Muljaningsih (2023) stated that job transfers had a non-significant effect on employee performance.

Mutations or job transfers are often carried out to adjust employee capabilities to the needs of the organization. Mutations that are well managed can help develop competencies and broaden employee horizons, thereby improving their performance. At KPP Madya Surakarta, mutations that are carried out fairly and in accordance with employee and organizational needs can help employees adapt to new tasks and improve their work capabilities. However, if mutations are carried out inappropriately, without considering employee competencies or preferences, this can reduce motivation and have a negative impact on performance.

4. The Influence of Leadership on Employee Performance

Based on the results of the analysis, the t value for leadership is 1.835, which is smaller than the t table. The t value of $1.835 < 1.997$ means that the null hypothesis is accepted and the alternative hypothesis is rejected. This means that there is no influence of leadership on the performance of KPP Madya Surakarta employees.

The results of this study are in line with those conducted by The Love Story of Saputri and Andayani (2018) which states that leadership does not have a significant effect on employee performance. The results of this study differ from those conducted by Fachrudin and Assery (2024) and Rose (2019) which states that leadership has a positive and significant influence on employee performance.

Ideally, leadership is expected to be able to influence employee performance, but in KPP Madya Surakarta it does not show a significant influence. This could be caused by several factors, such as a leadership style that may not be in accordance with employee characteristics, or the presence of other factors that are more dominant in influencing performance, such as a strong reward system or established organizational policies. In situations like

this, the role of leadership may not be directly felt by employees in determining their performance, or there are external factors that have a greater influence on work productivity in KPP Madya Surakarta.

CONCLUSION AND SUGGESTIONS

Remuneration, organizational climate, and mutation have a positive and significant effect on the performance of KPP Madya Surakarta employees. However, leadership does not have a significant effect on the performance of KPP Madya Surakarta employees. Variance in remuneration variables, organizational climate, mutations, and leadership can explain 69.1% of the performance variable and the remaining 30.9% is influenced by other variables outside the research variables. The management of KPP Madya Surakarta is advised to continue to improve the remuneration system that is oriented towards employee performance, competence, and responsibility. This can be done through the preparation of an incentive system based on work performance to improve employee motivation as a whole.

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