The Influence of Employee Perception and Satisfaction on Remuneration System in Rumah Sakit Islam Klaten and Its Impact on Employee Performance

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Background: Several health professions and different educational background become a challenge for human resource management in RS. Islam Klaten. In the hospital, doctors, nurses, and staff have their rights to get appropriate salary based on remuneration system. Some of the challenges are the emergence of many questions and complaints about remuneration. The purpose of this research is to understand the influence of employee perception on their satisfaction and performance when remuneration system has been implemented in RS. Islam Klaten. Subjects and Method: This study was a quantitative research. The subject of this research is all of the employers in RS. Islam Klaten, and take a random sample of 100 people. The data was analyzed by using Partial least square regression to understand the influence and relationship between variables and each indicator. Results: The first hypothesis test results, employee perception influences employee satisfaction in the remuneration system in RS. Islam Klaten, with statistical value 31,781 > t value 1,985. The second hypothesis test results, employee perception of remuneration system influences performance of hospital employees, with statistical value 2.011 > t value 1.985. The third hypothesis test results; employee satisfaction of remuneration influences employee performance at the hospital, with statistical t value of 9.095 > t value of 1.985. Conclusion: (1) Employee perception influences employee satisfaction of remuneration in RS. Islam Klaten, influences employee performance. (2) Employee perception of remuneration in RS. Islam Klaten influences employee performance. (3) Employee satisfaction of remuneration in RS. Islam Klaten influences employee performance.

KEYWORDS: Perception, Satisfaction, Performance, Remuneration

I. INTRODUCTION

Hospital is a complex organization consisting of various health professions and others related to health care activities to the community. To carry out its functions, hospitals need an effective management system that can create a work environment that supports togetherness, equality, increases productivity, is able to encourage its members to achieve organizational goals.

A well-functioning hospital HR management will have policies, rules and programs in the process of employee selection and recruitment, formulation of member’s rights and obligations, organizational training and development, member safety guarantees, and succession systems at the organization’s organization. Some research related to this remuneration policy is motivated by the existence of a number of questions and complaints related to nominal remuneration obtained by employees of the RS. Islam Klaten. Remuneration policy in RS. Islam Klaten was updated in September 2017. [1]

The reason for the renewal of the policy related to remuneration is also due to the large number of employee complaints regarding the first remuneration system that was implemented in RS. Islam Klaten. In the first remuneration system that applied before, the nominal remuneration obtained by employees is calculated based on the benefits of each existing service unit in RS. Islam Klaten. This causes dissatisfaction and lack of justice in nominal remuneration for employees.

In the implementation of the first remuneration system, hospital management has never conducted research related to employee satisfaction with the implementation of remuneration. Therefore, this study tries to see the effect of employee perception of remuneration in RS. Islam Klaten on...
satisfaction with remuneration systems and employee performance.

Based on research conducted by [2], showed a strong influence between the quality of human resources on the quality of service. That is, if the quality of human resources in an organization or agency is improved, there will be an increase in the quality of services within the organization. One of the methods used to improve the quality of human resources in an organization is to conduct training to provide the ability, skills to carry out the duties and responsibilities of work.

To achieve its vision and mission, RS, Klaten Islam certainly cannot rule out the relationship between the quality of employee performance and the quality of service to patients. The results of Amelia and Rodhiyah's research stated that service quality and employee performance affect patient satisfaction, with a case study of inpatients at a hospital in Jakarta. The work performance of the service provider in the hospital will show how well the employee is doing his job. [3]

Performance-based remuneration is a payment system that links rewards with work performance. The implication of this concept is that someone who performs well will get high rewards and vice versa. This means that the higher the performance achieved by employees the higher the rewards. Based on Decree Number QM / PD / SDM / 12 / X / 2017 concerning Adjustment of Remuneration Guidelines for Medical Services, Other Health Workers Services, Services, Bonus Services and Student Guidance Services at Klaten Islamic Hospital, Hospital Director. Islam Klaten decided that starting from October 1, 2017, remuneration guidelines have been applied, and in remuneration granting, hospital employees. Klaten Islam must always be based on these remuneration guidelines. In its application, remuneration in RS. Islam Klaten requires an evaluation of all implementing remuneration. The first problem that arises is whether employees can understand policy making in terms of index selection to determine the standard of remuneration in the hospital. After that, whether this understanding will affect employee satisfaction on the remuneration system established by the RS. Islam Klaten.

II. RESEARCH METHOD
This research is a quantitative study using total sampling with a total of 100 employers of RS. Islam Klaten. Data retrieval is done by using questionnaires with a Likert scale. This study uses the Partial Least Square method and uses smart PLS software for analyzing the data.

III. RESULT AND DISCUSSION
The convergent validity values are known by looking at the loading factor of each reflective indicator. [4] In this study, researchers used Smart PLS software with Partial Least Square Algorithms which can be seen in Figure 1.

![Figure 1. Model I](image)

In the loading factor calculation results in Figure 1, obtained values above 0.5 in each indicator, so the indicators and models that have been made can be declared valid. In accordance with PLS measurement standards, the AVE value should be greater than 0.5. In this study, the results of AVE measurements obtained can be seen in the following table.

| Table 1. Average Variance Extracted
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<tr>
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<tbody>
<tr>
<td>Average Variance Extracted (AVE)</td>
<td>Satisfaction</td>
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<tr>
<td></td>
<td>Performance</td>
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<tr>
<td></td>
<td>Perception</td>
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</table>

This research instrument reliability has a value above 0.7 on both measurements. The results of composite reliability measurements can be seen in table 2, and the results of the measurement of Cronbach's alpha values can be seen in table 3.

| Table 2. Composite Reliability using SmartPLS
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<tbody>
<tr>
<td>Composite Reliability</td>
<td>Satisfaction</td>
</tr>
<tr>
<td></td>
<td>Performance</td>
</tr>
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<td></td>
<td>Perception</td>
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</tbody>
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| Table 3. The result of Cronbach's Alpha measurements
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<tbody>
<tr>
<td>Cronbach's Alpha</td>
<td>Satisfaction</td>
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<tr>
<td></td>
<td>Performance</td>
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<tr>
<td></td>
<td>Perception</td>
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</tbody>
</table>

Because all the measurement results show very good results, which is above 0.9. So that the research instruments used, can be trusted and have very good stability and consistency. [6]

The results of the analysis of the inner model that shows the relationship and influence between understanding of employee satisfaction and performance at the hospital. Klaten Islam can be seen in Figure 2.
The Influence of Employee Perception and satisfaction on Remuneration System in Rumah Sakit Islam Klaten and Its Impact on Employee Performance

![Diagram](image)

**Figure 2.** The result of inner Model Analysis

The first hypothesis testing results are "Employee perception influences employee satisfaction in the remuneration system at the RS. Islam Klaten", based on the PLS approach produces a coefficient value that can be seen in Figure 2. The coefficient value on understanding the remuneration for employee satisfaction is 31.781 with p values that meet the requirements (0.00 < 0.05), and the coefficient is positive. [7]

Based on the results of the t-statistic test and analyzed using t-table with a sample of 100 people, a significance level of 5%, in the t-table of two-sided measurements, the value obtained was 1.985. In figure 2, the result of the t-statistic calculation are 31.871. So that t arithmetic is greater than t-table, so the first hypothesis is accepted.

The second hypothesis testing results, namely "Employee perception of the remuneration system at the RS. Islam Klaten influences the performance of employees", carried out with the PLS approach in Figure 2 shows a value of 2.011, with a p value that is met (0.00 < 0.05). The coefficient value is positive, so it can be said that there is a direct relationship between the perception variable and the employee performance. Based on Figure 2, the t-statistic value was obtained at 2.011. [8] While the value of table t is 1.985. It can be concluded that t arithmetic is greater than t table, therefore the second hypothesis in this study is accepted.

The third hypothesis in this study is "Employee satisfaction on remuneration influences the performance of employees at the RS. Islam Klaten", carried out with the PLS approach in Figure 2, produces a value of 9.095, with a positive sign (p value 0.045 < 0.05). Based on the t-statistic test analysis, the t-statistic value was 9.095. So that t arithmetic is greater than t-table, therefore the third hypothesis is accepted. [9]

The inner model analysis which is then performed is testing of R square (R2) as a goodness of fit model test. The value of R2 shows the effect or contribution to the dependent variable.

### Table 4. The result of R-Squared from Model I

<table>
<thead>
<tr>
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<th>R Square</th>
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<tbody>
<tr>
<td>Satisfaction</td>
<td>0.700</td>
</tr>
<tr>
<td>Performance</td>
<td>0.779</td>
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The measurement results R square in figure 6, shows the value for the variable employee satisfaction with remuneration of 0.700. This shows that employee satisfaction with remuneration is explained by the employee's perception of remuneration by 70%. While the value of R square on employee performance variables is 0.779 which indicates that employee performance is explained by the employee's perception of remuneration variables by 77.9%.

**IV. REFERENCES**