

The Impact of Employee Remuneration and Performance on Quality of Public Services at Attorney's District Office in Palopo City

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Abstract

This study aims to identify and analyze whether remuneration and employee performance affect the quality of public services at the Palopo City District Attorney's Office. The research method used in this study is quantitative data analysis. Covering the source of the problem, problem formulation, relevant concepts and theories, relevant discoveries, submission of hypotheses, compilation of research instruments, and conclusions. Based on the results of the research that has been conducted, it is known that remuneration has a significant effect on the quality of public services. The results of the hypothesis test are partially reflected in the calculated t value of X1 remuneration of 3,937. Employee performance has a significant effect on the quality of public services, as indicated partially by the results of the hypothesis test and the t-value calculated for X2 performance of 1.94. Remuneration and employee performance together have a significant effect on the quality of public services, according to the results of the hypothesis test, which were simultaneously stated to be received with F test results of 575,205 or with a sig value of $0.000 < 0.05$, which states that remuneration and performance together affect the quality of public services.

Keywords: Remuneration, Employee Performance, Quality of Public Services

Introduction

In particular, the Attorney General's Office of the Republic of Indonesia is a government institution that implements judicial functions and authorities in the area of investigation, prosecution of cases involving corruption and flagrant violations of human rights, as well as other authorities grounded in law. The Indonesian Prosecutor's Office continues to experience various developments and dynamics continuously, in accordance with the period and changes in the government system. Since the beginning of its existence until now, the Attorney General's Office of the

Republic of Indonesia has experienced 22 periods of leadership by the Attorney General. Along with the course of Indonesia's constitutional history, the position of leadership, organization, and working procedures of the Indonesian Prosecutor's Office also experienced various changes that were adjusted to the situation and conditions of society, as well as the form of the state and government system.

Palopo City State Prosecutor's Office, as one of the government agencies, has been required to be able to carry out tasks and activities effectively and efficiently so as to produce a quality and quality image of a government organization. The Palopo City State Prosecutor's Office is a state institution that exercises state power, especially in the field of prosecution, and as an authorized body in law enforcement and justice.

The competence of Palopo City District Attorney employees is able to produce the achievement of goals that have been designed and retain more employees who are able to work with high performance. Based on work competence and positive performance, employees will get rewards as one of the motivations that will cause job satisfaction for Palopo City District Attorney employees.

To achieve maximum performance from Prosecutor's Office employees, a more proactive and productive employee role is needed. Good motivation requires leadership and other supports, such as decent and fair wages, opportunities to advance and be promoted, recognition as individuals in the organization, job security, good workplaces, acceptance by leaders and groups, and fair treatment and recognition of achievements. Based on the Decree of the Minister of Finance No. 133/KMK.05/2017 concerning the Determination of Remuneration for Management Officers, Supervisory Boards, and Employees of the Public Service Agency of the Palopo City City District Attorney's Office, Palopo City City District Attorney employees receive incentives in the form of financial benefits known as 'remuneration.

However, based on pre-surveys in the field, it is known that the remuneration received by employees is still very minimal, and the level of employee performance in service is still very low. This can be seen from some people who complain about the services at the Palopo City State Attorney's Office. Meanwhile, Siti (2017) said that the implementation of public services is a service carried out with the

responsibility of organizing and resolving complaints about those services. Based on this phenomenon, an in-depth study was conducted on the effect of remuneration and employee performance on the quality of public services with the aim of determining whether there is an influence of remuneration and employee performance on service quality at the Palopo City District Attorney's Office.

Literature review

a. Remuneration

Remuneration is the provision of a salary or additional income to an employee as an expression of appreciation for their work or contribution to a routine company. Remuneration is a policy made as a form of appreciation to human resources or referred to as something received by an employee (Darmawan *et al.*, 2021)

Muhammad (2004), states that remuneration has an understanding in the form of something that employees receive in return for contributions that have been made to the organization where they work. Another opinion was developed by Ruky (2005), who said that the definition of remuneration is a reward that has a wide scope of wages or salaries. Remuneration has a positive impact on performance (Meilinda *et al.*, 2019). Marwansyah (2010), states that remuneration is a form of reward received by an employee for their contribution to the organization. Remuneration provides increased employee discipline and strengthens employee performance relationships (Niddin *et al.*, 2021).

Remuneration is a reward that becomes a motivation to foster better performance characteristics (Wenzel *et al.*, 2019). Remuneration is a reward that has a wide range of wages or salaries received by employees for contributions to the organization and good performance, with the aim of improving the welfare of these employees.

Marwansyah (2010), mentioning the components of remuneration can be divided into two categories: financial remuneration and non-financial remuneration. This component is then used as an indicator of remuneration assessment.

- a) Financial remuneration is compensation given to employees directly and indirectly in the form of (1) salary, (2) benefits, (3) health plans, and (4) pension plans.

- b) Non-financial remuneration is a reward obtained based on job satisfaction and satisfaction with the existing work environment. Included are: (1) interesting tasks; (2) job challenges; (3) responsibilities; (4) opportunities for recognition; (5) the achievement of objectives; (6) opportunities for promotion; (7) pleasant coworkers; (8) comfortable working environment conditions; (9) the division of labor; and (10) healthy policies.

b. Performance

Performance is all the results of the achievements of all forms of actions and policies in a series of work efforts over a certain period of time to achieve a goal. (Nawawi, 2006), said that employee performance is the result of the quality and quantity of work achieved by an employee in carrying out his duties in accordance with the responsibilities given to him. Løkke & Krøtel (2020), said that performance is an evaluation of employee work.

Performance is an important thing in organizations or companies (Nawawi, 2006). Barusman & Mihdar, (2014) states that performance is the result achieved by a person based on the implementation of tasks that have been assigned in accordance with proficiency, experience, sincerity, and time. Performance is not just about achieving results; it also needs to pay attention to other aspects. As conveyed by Prawirosentono (2008), which states that performance is the result of work that can be achieved by a person or group of people in an organization, in accordance with their respective authorities and responsibilities, in order to achieve organizational goals legally, without violating the law, and in accordance with morals and ethics. Performance in the public sector includes innovation, service quality, and service operations with effective benefits for service recipients (Al Ahbabi *et al.*, 2019). Work performance can affect overall organizational performance (Lee *et al.*, 2016).

Assessment of employee performance levels in a certain period of time, according to Hasibuan (2006), through performance aspects such as (1) Loyalty; (2) Work Results; (3) Honesty; (4) Discipline; (5) Creativity; (6) Cooperation; (7) Leadership; (8) Personality; (9) Initiatives; (10) Proficiency; (11) Responsibility.

c. Service Quality

Quality represents the level of excellence and the relative measure of goodness. Wijaya (2011), conveys that quality is something decided by customers.

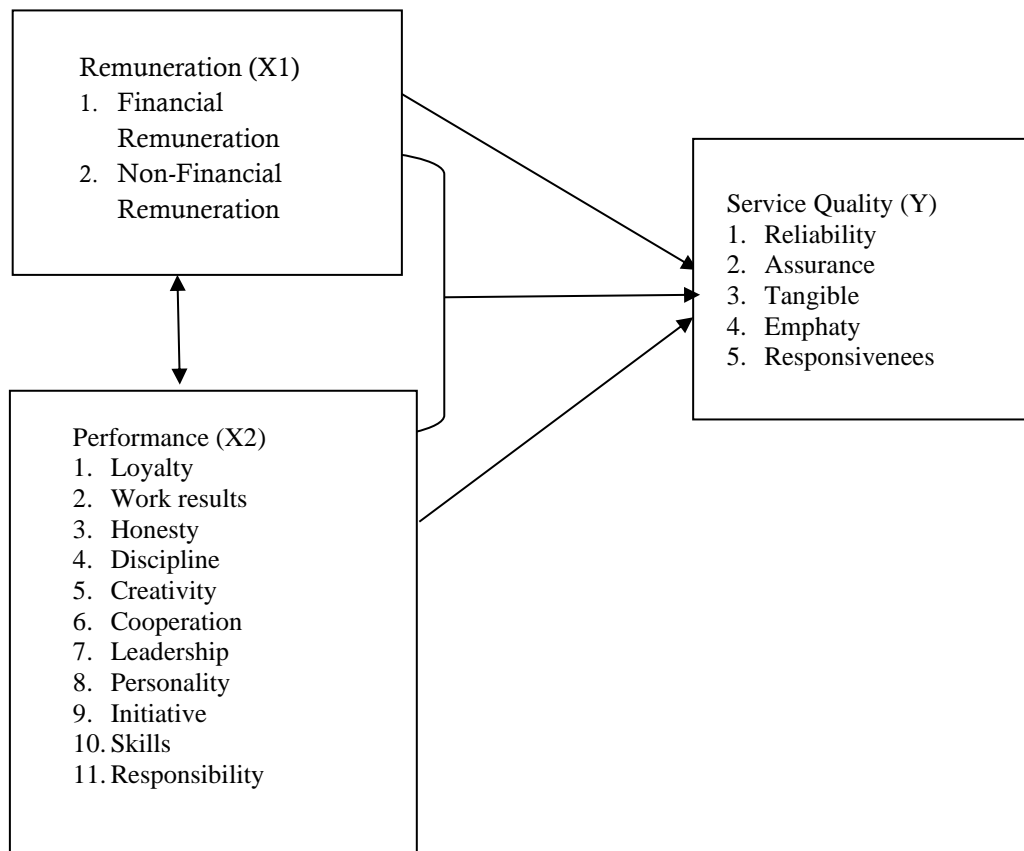
Quality is defined as the actual experience of customers or consumers with products or services measured based on certain requirements.

Surahman *et al.*, (2020), stated that quality is the fulfillment of customer needs. Quality is defined as signs that must be achieved by a person or organization, such as the quality of human resources, the quality of work, and the work results or products in the form of goods and services. Thus, quality has a meaning that gives satisfaction to those served both internally and externally. Service quality is obtained based on customer reliability and trust that results in satisfaction (Barusman, 2019). Service quality has an impact on comprehensive customer satisfaction (Mosimanegape *et al.*, 2020).

Parasuraman *et al.*, (1990), deliver a service quality model as an indicator of service quality, which includes (1) reliability. The dimension of reliability is the measurement of producer reliability in serving customers, referring to the ability to perform services consistently and accurately. (2) Assurances: the ability of producers to build trust and confidence in their customers. (3) tangible (appearance) physical facilities, equipment, and appearance of personnel, such as building splendor, office cleanliness, tidiness of offices and employees, office comfort, sophistication of equipment, and others. (4) Empathy: the level of understanding or sympathy (caring) and individual attention given by the company to its customers. (5) Responsiveness: willingness to help customers and provide a service quickly and on time;

d. Conceptual Frame Work

Figure 1. Frame Work



Hypothesis Based on the above framework, the hypotheses proposed in this study are:

1. There is an effect of remuneration on the quality of service at the Palopo City District Attorney's Office.
2. Employee performance has an influence on service quality at the Palopo City District Attorney's Office.
3. There is an effect of remuneration and employee performance on service quality at the Palopo City District Attorney.

Method

This research uses a quantitative approach, which is research that emphasizes its analysis of numerical data (numbers) processed by statistical methods. Basically, a quantitative approach is carried out in inferential research (in the context of

hypothesis testing) and relies the conclusions of the results on a probability of error for the rejection of the null hypothesis (Sugiyono, 2017).

The research population is a generalized area consisting of objects or subjects that have certain qualities and characteristics that are determined by researchers to be studied and then drawn conclusions from (Sugiyono, 2013). The population in this study consisted of 21 Palopo City District Attorney employees and 22 Palopo City Class 1 Detention Center Society. With the research sample, namely Palopo City State Prosecutor's Office Employees and Palopo City Class 1 Detention Center Society, there were 43 respondents.

Table 1 Operational Variable

Variable	Indicator	Scale of Measurement
Remuneration (X1)	Financial Remuneration	Likert
	Non-Financial Remuneration	Likert
Performance (X2)	Loyalty	Likert
	Work Result	Likert
	Honestly	Likert
	Discipline	Likert
	Creativity	Likert
	Cooperation	Likert
	Leadership	Likert
	Personality	Likert
	Initiative	Likert
	Skills	Likert
	Responsibility	Likert
Quality of Service (Y)	Reliability	Likert
	Assurances	Likert
	Tangible	Likert
	Empathy	Likert
	Responsiveness	Likert

Source: Data processed, 2022

Result And Discussion

Research Characteristics

The characteristics of this study consisted of 43 respondents, including 21 district attorneys from Palopo City City and 22 from the Palopo City Class 1 Detention Center.

Table 2 Characteristics of Respondents Based on Age in Palopo City District Attorneys.

No	Age	Amount	%
1	20-30	9	42,8
2	31-40	7	33,3
3	41-50	4	19,1
4	>50	1	4,5
	Amount	21	100

Source: Data processed, 2022

Table 3 Characteristics of Respondents Based on Age in Palopo City Class 1 Detention Center

No	Age	Amount	%
1	25-30	8	36,3
2	31-35	8	36,3
3	36-40	4	18,1
4	>45	2	9,0
Amount		22	100

Source: Data processed, 2022

Based on the characteristics of the study, it is known that respondents aged 20-30 at the District Attorney's Office have the highest number of 9 people, or 42.8% of the total of 21 people, then respondents in Class 1 Detention Centers with ages 25-30 have a total of 8 people, or 36.3% of the total, equal to the number of respondents aged 31-35, which amounts to 8 people.

Validity Testing

Results of the Remuneration Variable Validity Test This measurement is carried out by comparing the calculated value with the reference table. If the r-calculate (correlation coefficient) is greater than the r-table (critical value) at the significance level of 5% or 0.05 and is positive, then the item of the statement or indicator is declared valid (Ghozali, 2012). Respondents in this study were 43 people, when viewed in the value of r product moment with a significance level of 0.05 or 5%, thus determining $r_{table} df = n-2 (43-2) = 41$, and this study used table 41 with a value of $r_{table} = 0.308$.

Table 4 Remuneration Variable Validity Test Results

No	Instrument items	R _{Value}	R _{Table}	Description
1	Item_1	0,731	0, 308	Valid
2	Item_2	0,678	0, 308	Valid
3	Item_3	0,713	0, 308	Valid
4	Item_4	0,720	0, 308	Valid
5	Item_5	0,511	0, 308	Valid
6	Item_6	0,788	0, 308	Valid
7	Item_7	0,860	0, 308	Valid
8	Item_8	0,680	0, 308	Valid
9	Item_9	0,815	0, 308	Valid
10	Item_10	0,583	0, 308	Valid
11	Item_11	0,651	0, 308	Valid
12	Item_12	0,752	0, 308	Valid
13	Item_13	0,526	0, 308	Valid
14	Item_14	0,428	0, 308	Valid
15	Item_15	1	0, 308	Valid

Source: Data processed, 2022

The Rtable value in this study using a significance level of 0.05 is 0.308. Based on the table 4, all statement items on the remuneration variable are valid ith

Rcalculated values greater than Rtable values. Thus, all statement items on the Remuneration questionnaire are reliable and feasible as research to proceed with the testing process.

Table 5 Validity Test Results of Employee Performance Variables

No	Instrument items	R _{Value}	R _{Table}	Description
1	Item_16	0,664	0,308	Valid
2	Item_17	0,609	0,308	Valid
3	Item_18	0,625	0,308	Valid
4	Item_19	0,724	0,308	Valid
5	Item_20	0,524	0,308	Valid
6	Item_21	0,778	0,308	Valid
7	Item_22	0,865	0,308	Valid
8	Item_23	0,719	0,308	Valid
9	Item_24	0,647	0,308	Valid
10	Item_25	0,610	0,308	Valid
11	Item_26	0,613	0,308	Valid
12	Item_27	0,748	0,308	Valid

Source: Data processed, 2022

The Rtable value in this study using a significance level of 0.05 is 308. The data results in Table 5 show that all statement items on employee performance variables are valid, with Rcalculated values greater than Rtable values. Thus, all statement items on the employee performance questionnaire are reliable and feasible as research to proceed with the testing process.

Table 6. Results of Public Service Quality Validity Test

No	Instrument Items	R _{Value}	R _{table}	Description
1	Item_1	0,708	0,308	Valid
2	Item_2	0,643	0,308	Valid
3	Item_3	0,687	0,308	Valid
4	Item_4	0,722	0,308	Valid
5	Item_5	0,513	0,308	Valid
6	Item_6	0,832	0,308	Valid
7	Item_7	0,875	0,308	Valid
8	Item_8	0,754	0,308	Valid
9	Item_9	0,835	0,308	Valid
10	Item_10	0,623	0,308	Valid
11	Item_11	0,534	0,308	Valid

Source: Data processed, 2022

The Rtable value in this study using a significance level of 0.05 is 308. Based on table 6, it is known that all statement items on the variable of public service quality are valid, with the Rcalculated value > the Rtable value. Thus, all statement items

on the public service quality questionnaire are reliable and feasible as research to proceed with the testing process.

Reliability Test

Internal consistency reliability is Cronbach's alpha (α) consistency measurement technique. If the test result of Cronbach's alpha (α) > 0.60 , then it can be said that the variables used in the study are reliable (Ghozali, 2012). The reliability test of each variable in this study can be seen in the following table:

Table 7 Results of Variable Reliability Calculation

Variabel	Cronbach Alpha	Reliability Limits	Description
<i>Remuneration (X1)</i>	0.908	0,60	Reliable
<i>Employee Performance (X2)</i>	0.881	0,60	Reliable
<i>Service Quality (Y)</i>	0.913	0.60	Reliable

Source: Data processed, 2022

The reliability test results in Table 7 show that the Cronbach Alpha value of the remuneration variable (X1) is $0.908 \geq 0.60$. Thus, it can be concluded that the measuring instruments used in this study are reliable. Then the Cronbach Alpha value of the employee performance variable (X2) is $0.881 \geq 0.60$. Thus, it can be concluded that the measuring instruments used in this study are reliable. As well as the Cronbach Alpha value of the public service quality variable (Y), which is $0.913 \geq 0.60$. Thus, it can be concluded that the measuring instruments used in this study are reliable.

Multiple Linear Regression Analysis.

Statistical T-Test, Quantitative analysis to test associative hypotheses (influences between variables) using multiple linear regression analysis The following are the results of multiple linear regressions of remuneration (X1) and employee performance (X2) variables on the quality of public services (Y) at the Palopo City District Attorney's Office, through data processing tables using the SPSS Program.

**Table 8 Statistical T-test
Coefficients^a**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.707	1.430		3.291	.002
	Remuneration	.618	.157	.756	3.937	.000
	Emplyoee Performance	.231	.193	.229	1.194	.240

a. Dependent Variable: Public Service Quality
Source: Data processed, 2022

In Table 7, Coefficient^a illustrates that the regression equation is as follows:

$$Y = 4.707 + 0.618 + 0.231 + e$$

Based on the regression coefficient with a constant value of public service quality (Y) at the Palopo City District Attorney's Office, it is 4,707. The regression coefficient of 0.618 states that every addition of one score or remuneration value (X1) will provide an increase in the quality of public services (Y) at the Palopo City District Attorney by 0.618 or 61.8%. It can be seen that the correlation of the variable remuneration (X2) to the level of relationship is moderate at 0.231 or 23%, indicating that variables X1 and X2 respectively affect the variable Y.

From the output of the Coefficients Test T, it is known that the value of the regression coefficient of the remuneration variable (X1) is 0.618 positive value (+) and employee performance (X2) is 0.231 positive value (+), so it can be said that remuneration (X1) and employee performance (X2) independently have a positive influence on the quality of public service (Y) at the Palopo City District Attorney's Office. The positive influence (+) means that every increase in (X1) the value of remuneration and (X2) the value of employee performance will provide an increase to (Y) the value of public service quality at the Palopo City District Attorney's Office.

Table. 9 Statistical F-test ANOVA^b

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1620.627	2	810.314	575.205	.000 ^a
	Residual	56.350	40	1.409		
	Total	1676.977	42			

a. Predictors: (Constant), Employee Performance, Remuneration

b. Dependent Variable: Public Service Quality

Source: Data processed, 2022

Based on table 9 obtained Sig F values $0.000 \leq 0.05$ and F count (575.205) \geq F table (3.23). This means that remuneration (X1) and employee performance (X2) jointly affect the quality of public service (Y) at the Palopo City District Attorney's Office, and thus the hypothesis is declared accepted.

Coefficient of Determination

Table 10 Test Results of Coefficient of Determination Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.983 ^a	.966	.965	1.187

a. Predictors: (Constant), Employee Performance, Remuneration

Source: Data processed, 2022

Based on table 10 above, it is known that the R² value is 0.966. Based on this value, it can be seen that the quality of public service (Y) is influenced by remuneration (X1) and employee performance (X2), both of which are at 0.966. This means that the quality of public service (Y) is influenced by remuneration (X1) and employee performance (X2) by 96.60%, and the remaining 3.40% is influenced by other variables that were not studied. Furthermore, it can be said that remuneration (X1) and employee performance (X2) together affect 96.60% of the quality of public service (Y) at the Palopo City District Attorney's Office, while the remaining 3.40% is caused by other variables.

Conclusion

Based on the results of the above research, the following conclusions can be drawn:

1. Independent remuneration has a positive and significant effect on the quality of service at the Palopo City State Attorney's Office.
2. Employee performance independently has a positive and significant effect on the quality of service at the Palopo City District Attorney's Office.
3. Remuneration and employee performance together have a positive and significant effect on the quality of service at the Palopo City District Attorney's Office.

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