THE EFFECT OF REMUNERATION AND MOTIVATION ON THE PERFORMANCE OF THE TAX EMPLOYEES
(Case Study at Tax Office Pratama Majalaya Bandung)

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ABSTRACT

This research was conducted in Primary Tax Service Office Majalaya. The phenomenon that occurs is employee performance is still unmotivated as benefits or remuneration do not go up. This research was purpose to find out how much influence Remuneration and Motivation significant effect to Employee Perfomance.

The method used in this research is descriptive method verification with quantitative approach. The sampling method in this study using 44 approach. The unit of analysis in this research is the 44 Tax Officer in Primary Tax Service Office Majalaya. The data were analyzed using multiple linear regression. Testing the hypothesis in this study using the statistical t-test statistic with software Smart PLS 2.0.

Results from this study showed that the Remuneration and Motivation effect to Employee Perfomance in Primary Tax Service Office Majalaya. The results of this study also showed that Remuneration and Motivation significantly influence Employee Perfomance in in Primary Tax Service Office Majalaya.

Keywords: Remuneration, Motivation, Employee Perfomance.

I. PRELIMINARY

1.1 Background

According to Ayi Miraj Sidik as supervisor at KPP Majalaya revealed, the performance indicator of Directorate General of Taxation is clear namely tax revenue, meaning that quantity is a number. Directorate General of Taxes have a clear performance objectives then appear the number because it is clear then Ditjen tax knows whether or not failure of tax revenue. If the tax revenue is not achieved with the target is clear remuneration of salary will be cut because it is in accordance with the presidential regulations (Perpres). The level of managerial union that accurred in KPP Majalaya is sufficient, therefore the allowance for that performance of tax officers is very balanced that accurred in KPP Majalaya and can be accepted by the performance of tax employees can receive the achieved (Ayi Miraj Sidik, 2017).

According to Ayi Miraj Sidik as supervisor at KPP majalaya revealed, Ditjen tax of isitusi susceptible to corruption, corruption in the Directorate General of taxes instead of paying taxes then in corruption but incoming negotiations submission. When the tax officers enforce the law there are findings that indeed require the taxpayer to pay his liabilities but the taxpayer bids to tax employees. When the performance of tax employees is given a much greater income according to the rights, obligations and responsibilities, the employee's motivation to work according to the higher rules. The main thing in the performance in motivating tax employees is absent, if the absence of performance obtained by employees the higher the

results of benefits obtained by employee tax (Ayi Miraj Sidik, 2017).

1.2 Identification of Research Problems

Based on the description of the background, then the problem in this study is:

1) The performance of the tax employee weents to immediantely moderate the new tax collection.
2) Allowance or remuneration will be deducted because the achievement of tax revenue is not satisfactory or not achieved.
3) Employee performance is still not motivated because the allowance or remineration does not go up.

1.3 Formulation of the Problem

Based on the background that has been put forward, then the formulation of the problem is:

1) How big is the effect of remuneration on the performance of tax officials in head of KPP Majalaya Bandung.
2) How big is influence motivation on employee performance tax in KPP Majalaya Bandung.

1.4 Research Objectives

The pupose and pupose of this research is:

1.4.1 Research Purpose

The study is intended to apply findings to solve specific problems that are being experienced (Uma Sekaran and Roger Bougie, 2010).

1.4.2 Research Purposes

The purpose of the this research is:

1) To find out how much influence the remoneration on the performance of tax employees.
2) To find out how much influence motivation on employee performance tax .

1.5 Usefulness Research

1.5.1 Applied Research

The results of this study are expected to solve the problems that occur in pemuneration and motivation problems and performance of tax employees. Based on theory built and the evidence produced, the phenomenon of remuneration can be improved by improving the performance of tax officials and improving motivation.

1.5.2 Basic Research

Form the results of this study as a re-proof of theories and results of previous research and is expected to show that the optimal employee performance is influenced by Remuneration and Motivation, and for the devolopment of science related to the influence of the Remuneration and Motivation againts Employee Performance Tax.

II. REVIEW OF LITERATURE, FRAMEWORK FOR THINKING AND HYPOTHESES

2.1 Review Of Literature

2.1.1 Remuneration

2.1.1.1 Understanding Remuneration

According to Mohammad Surya (2012: 8) the definition of remuneration is:

"Remuneration has a sense of" something "that employees receive in return for the contributions already made to the organization where they work."

2.1.1.2 Remuneration Indicator

There are several indicators related to the remuneration as follows (Kaswan, 2012: 147)

1) Eduquate
2) Balanced
3) Cost-Effective
4) Acceptable Employees

2.1.2 Motivation

2.1.2.1 Understanding Motivation

Motivation according to Mohammad Surya (2012: 92) suggests the following:

"Motivation is defined as an attempt to cause or increase the drive to realize certain behaviors that are directed to the achievement of a particular goal."

2.1.2.2 Motivation Indicator

Meanwhile, According to Hamzah B. Uno (2009: 73) there are eight indicators related to motivation as follows

1) Responsibility in performing the Task.
2) Carry out tasks with clear target.
3) There is feedback on the Works.
4) Preferably the accomplishment of what is One.

2.1.3 Understanding of Tax Officer

2.1.3.1 Understanding of Tax Employees

According to Rochmat (2012: 1) the definition of tax as follows:

"Contribution to state coffers by law (which can be enforced) with no lead services (contra) that can be directly demonstrated and used to pay public expenditures."

2.1.3.2 Understanding of Tax Employees Indicator

Performance indicators of tax officials according to Dermawan Wibisino (2011: 164-170) are as follows:

1) Absence
2) Concern for the Vision and Mission of the Company
3) Qualification Level

2.2 Framework

2.2.1 Remuneration to Employee Performance Tax

According Kaswan (2012: 45) compensation or remuneration crucial thing. Because adequate compensation will lead to satisfaction that can help the organization / company obtain, maintain, and maintain a productive workforce. Conversely, inadequate rewards will bring discontent to the employee, which in turn leads to a decrease in productivity and quality of work life. In worse conditions the dissatisfaction may degrade performance, increase complaints, strike, seek new jobs that generate more, and other adverse consequences.

2.2.2 Motivasi Terhadap Kinerja Pegawai Pajak

According to Wilson Bangun (2012: 312) motivation has long been the task of management, raises the most difficult and important problems to solve. Management has used many methods to improve motivation. A traditional approach is applied by many companies, such as increasing wages and improving benefits. In some situations, this approach may be successful in improving performance. however, on the other hand, it does not provide solutions to motivational problems. Because there are many other factors can give satisfaction for certain employees. For example, Fredrick Herzbeng's research concludes that salaries including hygiene factors are included in the dissatisfaction factor. However, managers are constantly looking for the best way to motivate their employees to make the work better.

2.3 Research Hypothesis

Based on the theoretical basis, it can be formulated hypothesis as follows:

H1 : Remuneration affects the employee's performance.

H2 : Motivation affects the performance of the employee of the tax.

III. RESEARCH METHODS

3.1 Research Methods

The research method used in this research is descriptive method, and verifikatif. By using the research method will be known significant relationship between variables studied so as to produce a conclusion that will clarify the picture of the object under study.

3.2 Operationalization of Variables

In accordance with the research title of the author thoroughly, namely Remuneration and Motivation of Employee Performance Tax, then there are two variables used, namely:

1. Independent Variables

Independent variabel is variable that influence or that cause of change or incidence of dependent variable / bound (Sugiyono, 2014: 39). Meanwhile, according to Burhan Bungin (2011: 72) "independent variable is a variable that determines the direction or a particular change in the dependent variable". In this study the independent variables are Remuneration (X1) and Motivation (X2).

2. Dependent Variables

Dependent variable (dependent) is a variable that is influenced or which become a result, because of the independent variables (Sugiyono: 2014: 61). In this study the dependent variable is the Employee Performance Tax (Y).

3.3 Data Source and Data Collection Techniques

3.3.1 Data Source

Adapun sumber data yang digunakan dalam penelitian ini adalah:

1) Primary Data

2) Secondary Data

3.3.2 Data Processing Technique

Data collection techniques conducted by the author is by survey method using the questionnaire.

3.4 Population, Sample, Place and Time of Research

3.4.1 Population

Population in this research is employee of Tax working in KPP Pratama Majalaya that is as much as 78 pegawi tax..

3.4.2 Sample

Sample size can be calculated as follows:

$$\mathrm{n} = \frac{78}{(78x0.01) + 1} = 44\ People$$

Sumber : Umi Narimawati (2010:38)

From the above calculation then the samples taken by researchers as much as 44 employees tax on KPP Pratama Majalaya.

3.4.3 Place and Time of Research

In this study the authors will conduct research on Tax Office Primary Majalaya on Road Map No. 7, Bandung - 40232. Tel. 0233-281629, Fax 0233-281629.

The time of the research began in October 2017 until February 2018.

3.5 Data Testing Method

Hypothesis testing using multiple regression model must be able to meet the classical assumption test. It aims to avoid biased estimation because not all data can apply regression model.

3.5.1 Validity Test

According to Arikunto (2013: 211) the definition of validity test is as follows:

"A measure showing the levels of validity or validity of an instrument. A valid instrument means the measuring instrument used to get the data (measure) is valid ".

3.5.2 Reliability Test

In this test, the researchers measure reliabelnya a variable by looking at Cronbach Alpha with significance used greater than 0.70. A construct or variable is said to be reliable if it gives a Cronbach Alpha value> 0.70 (Ghozali, 2013: 48).

3.6 Method of Data Analysis and Hypothesis Testing

3.6.1 Method of Analysis

The autohors analyze The data Bay pusing descriptive and Verification methods.

Descriptive Analysis

"Descriptive Analysis is the method of research by collecting data in accordance with the actual then the data is compiled, processed and analyzed to be able to provide an overview of existing problems" (Sugiyono, 2010:147).

Verifikatif Analysis

According Umi Narimawati (2010: 46) definition of data analysis verifikatif is:

"The data that has been collected through the questionnaire will be processed with a quantitative approach."

Verifikatif analysis in this study by using a statistical tool that is tested by variance-based structuran equation or better known as Partial Least Square (PLS) using SmartPLS 2.0 software.

3.6.2 Hypothesis Testing

Testing of the hypothesis to be tested in this study is to determine the extent to which one variable affects other variables in this research is Remuneration and Motivation Against Employee Performance Tax.

To test the research hypothesis partially done by statistical hypothesis test as follows:

Ho : γ1.1=0 : The performance of the Tax Personnel affected by the Remuneration is not signifikan.

Ho : γ1.1≠0 : The performance of the Tax Personnel affected by the Remuneration is not significant

Ho : γ2.1=0 : Employee Performance Tax is influenced by insignificant Motivation

Ho : γ2.1≠0 : Employee Performance Tax is influenced by significant Motivation

Reject Ho if thitung> ttable at significant level. Where ttable for α = 0.1 of1,645.

IV RESEARCH RESULT AND DISCUSSION

4.1 Research Result

4.1.1 Descriptive Analysis Result

4.1.1.1 Descriptive Remoneration

The result of percentage of total score from Remuneration variable of 707 (80,34%) is between interval 68% - 84%. Thus it can be concluded that Remuneration variable is in good category that happened in KPP Majalaya Bandung and there is still gap equal to 19,81,36% which indicate that there is still weakness in Remuneration at KPP Majalaya Bandung.

4.1.1.2 Descriptive Motivation

The calculation result of percentage of total score from Motivation variable equal to 691 (78,52%) is between interval 68% - 84%. Thus it can be concluded that the motivation variables are in good category, but still there is a gap of 21.48% indicating that there is still a weakness in Motivation.

4.1.1.3 Descriptive Employee Performance Tax

The calculation result of percentage of total score from variable of Employee Performance of Tax equal to 543 (82,7%) is between interval 68% - 84%. Thus it can be concluded that the variable Employee Performance Tax is in good category but still there is a gap of 17.3% which indicates that there is still a weakness in the Performance of Tax officials.

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4.1.2 Verifikatif Analysis

1. Testing Meansurement Model (*Outer Model*)

A. Validity Test

a. *Convergent Validity*

The value of outer loading for each indicator of Remuneration, Motivation and Employee Performance of Tax has a value of ≥ 0.6 which means that all indicators are stated to have good validity in explaining the latent variables.

b. *Discriminant Validity*

The crossload correlation value of each latent construct for the corresponding indicator is higher than that of the other constructs, so it can be concluded that the indicators used to measure latent variables are eligible.

B. Reliability Test

Based on the above table, the value of Composite Reliability (CR) of each latent variable exceeds 0.7 (Uce Indahyanti, 2013) so that the model is stated to have high reliability.

C. Evaluasi *Fit Test Of Combination Model* (Entire Model)

The value of Goodness of Fit (GoF) obtained from the multiplication of the value of communality and R-square of 0.3028. GoF value of 0,5502 according to Uce Indahyanti (2013) is classified as strong or high, so it can be concluded that the fitness model of goodness of fit model is already high.

2. Structural Model Testing *(Inner Model)*

The coefficient value of structural path X1 to Y is 0,280 and the coefficient of X2 to Y is 0,383.

Magnitude The effect of each variable is as follows:

1. Remuneration contributes 17.1% to the performance of the Tax Payers.
2. Motivation contributes an influence of 24.1% on the Performance of Tax Officers.
3. In the table above, seen the value of R Square obtained is equal to 0.412 or 41.2%. The result shows that Remuneration (X1) and Motivation (X2) together give 41,2% influence to the Employee Performance of Tax, while as much as (1-R Square) 58,8% the rest is big contribution contribution given by factor others not investigated () in this study.

1) Hypothesis Testing

To see whether the effects exerted by these two exogenous latent variables are significant or not, hypothesis testing is as follows:

a) Influence of Remuneration (X_1) On Employee Performance of Tax (Y) (Hipotesis 1)

Table 4.1
Test *t of Remuneration* (X_1) on Employee Performance of Tax (Y)

Latent Variable	Koefisien Jalur	$t_{statistik}$	t_{kritis}	Keterangan	Kesimpulan
X1 -> Y	0,280	2,433	2,0153	Ho ditolak	Signifikan

Sumber: Data diolah menggunakan *software* PLS

b) Influence Motivation (X_2) On Employee Performance of Tax (Y) (Hipotesis 2)

Table 4.2
Test *t* of Motivation (X_1) On Employee Performance of Tax (Y)

Latent Variable	Koefisien Jalur	$t_{statistik}$	t_{kritis}	Keterangan	Kesimpulan
X2 -> Y	0,383	2,589	2,0153	Ho ditolak	Signifikan

Sumber: Data diolah menggunakan *software* PLS

4.2 Discussion

4.2.1 The Effect of Remuneration on Employee Performance of Tax

The phenomenon that occurred in KPP Pratama Majalaya associated with the Remuneration that is according to Ayi Miraj Sidik as supervisors in KPP Majalaya reveals, the performance indicator of Directorate General of Taxes is clear ie tax revenue, meaning that quantity is the number. Directorate General of Taxes have a clear performance objectives then appear the numbers because it is clear then Ditjet tax knows whether or not the failure of tax revenue. If the tax revenue is not achieved with the target is clear remuneration or salary will be cut because it is in accordance with the presidential regulations (Perpres). The level of managerial union that occurred in KPP Majalaya is sufficient, therefore the allowance for the performance of tax officers is very balanced that occurred in KPP Majalaya and can be accepted by the performance of tax officials but not all the performance of tax employees can receive the results of the performance already diperolahnya (Ayi Miraj Sidik , 2017). This is in accordance with what the researchers found in the field is through a balanced indicator with a percentage of 80.45% can be interpreted in either category, but there is still a gap of 19.55% indicating that there is still a problem on the Balanced indicator.

Based on the results of the research in the field, Remuneration (X1) has an effect of 17.1% on the Employee Performance of Tax (Y) with a correlation value of 0.614, which means that Remuneration gives a strong positive direction toward the employee performance in Tax Office Primary Majalaya Tax. The direction of positive relationship Remuneration with Employee Performance Taxes shows that the better Remuneration will improve the Performance of Employees of Taxes. So from the results of this study note that Remuneration gives the effect of 17.1% on the Performance of Tax officials while the remaining 82.9% influenced by other factors not examined.

The result of this research is supported by Kaswan theory (2012: 45) which states that compensation or remuneration is crucial. Because adequate compensation will lead to satisfaction that can help the organization / company obtain, maintain, and maintain a productive workforce. Conversely, inadequate rewards will bring discontent to the employee, which in turn leads to a decrease in productivity and quality of work life. In worse conditions the dissatisfaction may degrade performance, increase complaints, strike, seek new jobs that generate more, and other adverse consequences.

4.2.2 Influence Motivation Against Employee Performance Tax

Motivation phenomenon that occurred in KPP Majalaya related to motivation that is according to Ayi Miraj Sidik as supervisors in KPP Majalaya revealed, DG of tax institutions vulnerable to corruption, corruption in the taxation minister instead of paying tax then in corruption but incoming negotiations. When the tax officers enforce the law there are findings that indeed require the taxpayer to pay his liabilities but the taxpayer bids to tax employees. When the performance of tax employees is given a much greater income according to the rights, obligations and responsibilities, the employee's motivation to work according to the higher rules. The main thing in the performance in motivating tax employees is absent, if the absence of performance obtained by employee, the higher the results of benefits obtained by employee tax (Ayi Miraj Sidik, 2017). This is consistent with what the researcher finds in the field through the indicator There is Feedback on Employment with 75% percentage can be interpreted in good category but there is still a gap of 25%

indicating that there is still problem in indicator There is Feedback on Work Result.

Based on the results of research in the field, Motivation (X2) has an effect of 24.1% on the Employee Performance of Tax (Y) with a correlation value of 0.627 which means that the motivation gives a strong positive direction toward the performance of the employee in Tax Office Primary Tax Majalaya. Direction of positive relationship Motivation with Employee Performance Tax shows that the better Motivation will improve Employee Performance Tax. So from the results of this study note that Motivation gives an influence of 24.1% on Employee Performance Tax, while the remaining 83.9% influenced by other factors not examined.

The results of this study are supported by the theory of Wilson Bangun (2012: 312) which states that motivation has long been the task of management, causing the most difficult problems and important to solve. Management has used many methods to improve motivation. A traditional approach is applied by many companies, such as increasing wages and improving benefits. In some situations, this approach may be successful in improving performance. however, on the other hand, it does not provide solutions to motivational problems. Because there are many other factors can give satisfaction for certain employees. For example, Fredrick Herzbeng's research concludes that salaries including hygiene factors are included in the dissatisfaction factor. However, managers are constantly looking for the best way to motivate their employees to make the work better.

V CONCLUSIONS AND RECOMMENDATIONS

5.1. Conclusion

1. Remuneration affects the employee performance of taxes, where the better the Remuneration will improve the performance of the tax officer and so if otherwise.
2. Motivation effect on Employee Performance Tax, where if the higher the motivation, then the Employee Performance Tax will be increasing and so if otherwise.

5.1 Suggestion

a. Partical Suggesrions:

1) In Remuneration, the focus should be on MARP indicators where KPP Pratama Majalaya need to provide socialization to employees regarding the knowledge of union and managerial, in addition to the given remuneration must be followed by optimal performance, the need for more tightened internal control to optimize the performance of tax employees.
2) In Remuneration, the focus should be on MARP indicators where KPP Pratama Majalaya need to provide socialization to employees regarding the knowledge of union and managerial, in addition to the given remuneration must be followed by optimal performance, the need for more tightened internal control to optimize the performance of tax employees.

b. Academic Suggestions:

In the development of accounting science, especially tax accounting is expected this result can be used as a reference for future researchers can use the same variable, the same method but the unit of analysis, population and different samples or look for other variables that affect the performance of the employee.

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