

THE EFFECT OF DEMOGRAPHY CHARACTERISTICS, REMUNERISATION, JOB REDESIGN ON EMPLOYEE PERFORMANCE WITH JOB SATISFACTION AS MEDIATION

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ABSTRACT

This study aims to empirically examine the effect of demographic characteristics, remuneration and job redesign on employee performance mediated by job satisfaction. using 215 samples of employees working in the Directorate General of Taxes (DGP) of East Java I, the method of data analysis uses SEM-PLS with the help of the WarpPLS 6.0 application. The results showed that demographic characteristics (education and age), remuneration and job redesign had a positive effect on employee performance and job satisfaction was able to mediate relationships between variables. Based on the calculation of VAF, the overall mediation effect of job satisfaction does not provide a mediating effect, because it has a VAF value below 20%.

Keywords: Demographic characteristics, remuneration, job redesign, job satisfaction and employee performance

1. INTRODUCTION

One of the goals in implementing bureaucratic reform is to realize corporate governance. Bureaucratic reform is regulated in Permenpan No. 11 of 2011, regulating the management of performance, starting from planning to evaluation of work. Aim to measure the performance carried out by the government in realizing the vision, mission, main tasks and main functions of the government agency. Bureaucratic reform carried out in the Directorate General of Tax (DGT) which is the vertical agency of the Ministry of Finance, performance management is regulated in Decree of the Minister of Finance No. 454 / KMK.01 / 2011, regarding performance management in the Ministry of Finance based on Employee Performance Objectives written in the employment contract.

One of the main targets of the Directorate General of Tax (DGT) Employee Performance is the realization of tax revenue, because its main task is to collect state revenues from the tax sector. However, the realization of tax revenues during the last five years of the Directorate General of Tax (DGT) was unable to realize the tax target set out in the Indonesian budget design. Data from tax revenue from 2013 to 2017 tends to decrease, namely: 92.59%, 91.87%, 81.97%, 81.54%, 89.20% (Annual Report, 2017). Not achieving the target of tax revenue from the Directorate General of Taxation is influenced by the realization of tax revenues in the vertical agencies below.

Vertical agencies under the Directorate General of Taxation are the Regional Office of the Directorate General of Taxes of East Java I, in 2017 only able to realize the tax target of 88.39%, realization below the national level and unable to realize the set tax target. In addition, indicators of performance appraisal in employee performance targets are prime service dimensions, especially in the Annual Tax Return (ATR) reporting target using e-filing. DGT of East Java I in 2017 was only able to realize 20% of the ATR reporting target through e-filing, which is 38.000 of 187.000 taxpayers in the East Java region (jatim.tribunnews.com, 2018).

Based on the results of a survey conducted by the Ministry of Finance in collaboration with Gajah Mada University, the DGT of East Java I should have a better performance and be able to realize the performance targets set in the employee performance targets, because in 2017, based on the DGT survey Surabaya city received the title best based on the aspect of "service satisfaction" with an index of 4.49 (Ministry of Finance, 2018: 150). Through the satisfaction index conceptually, taxpayers should be more happy in paying taxes, but in reality it is not as expected. This research was conducted in Indonesia because one country that relies on tax revenues as the main income, but in its management is still not optimal. In addition to these problems, Indonesia's level of public awareness of taxes is still low and fraud is very high, for example the case of the tax mafia carried out by Gayus Tambunan which is detrimental to the country's finances of 1.52 trillion Indonesian rupiah (bisnis.tempo.co, 2011). The case of tax corruption in the East Java region with the mode of accepting 1.99 billion Indonesian rupiah bribes (www.klinikpajak.co.id, 2013). Bribery cases involving tax officials related to arranging restitution or overpayment of PT Bhakti Investama Tbk (nasional.tempo.co, 2019). Based on this phenomenon, the researchers are interested in conducting research on the factors that influence the performance of employees of the Directorate General of Tax (DGT) of East Java I.

Employee performance is an important one in an organization, because organizational performance is an accumulation of employee performance (Johlke and Iyer, 2013). Employee performance is a set of results achieved by individuals who refer to actions and activities during a period (Schein, 2004). Kim (2015) revealed that the performance of employees and organizations is not optimal yet, mainly influenced by internal factors, namely the quality of human resources, work environment and internal control systems.

In an effort to improve employee performance according to work performance theory proposed by Blumberg and Pringle (1982), it is revealed that individual performance is influenced by dimensions of capacity, motivation and opportunity. Robins and Judge (2017: 275) provide reinforcement of work performance theory, each dimension of the theory has the same contribution in producing optimal performance, one-dimensional decrease, causing a decrease in the other dimensions. The capacity dimension in this study uses demographic characteristic variables consisting of education level, gender and intensity of training. The higher the level of one's education, the longer the employee occupies a position and the more often he participates in training, it is hoped that they will work effectively (Siengthai, et.al, 2016).

The dimensions of motivation used in this study are remuneration, because remuneration is one of the motivations of employees to work, so the higher the level of remuneration that the company will provide, the higher the employee's effort to realize his performance targets (Hamed et al., 2015). used in this study is job redesign in the form of job rotation and job enlargement, Job redesign is one of the management strategies to avoid employees from over routines that will generate work saturation and ultimately will reduce employee loyalty to the company (Robins and Judge 2017: 238) And this study uses mediating variables, namely job satisfaction, which is expected to strengthen the relationship between variables. Research uses mediation variables because of the inconsistency of previous research, so that a connecting variable is needed.

Generally, this study aims to analyze the factors that influence the performance of employees of the Directorate General of Tax (DGT) East Java I. Specifically this study aims to examine the influence of demographic characteristics, remuneration and job redesign on employee performance directly or indirectly through mediating variables of job satisfaction. This study also wants to see whether the regulatory changes regarding remuneration stipulated in PP No. 96 of 2017 which is a revision of PP No. 37 of 2015 and began to be implemented in January 2018 has an effect on increasing work productivity.

2. LITERATURE REVIEW

This study predicts factors that affect employee performance using the theory of work performance, expectancy theory and two factor theory. The work performance theory is proposed by Bumberg and Pringle (1982) which reveals that employee performance is an interaction between dimensions of ability, motivation and opportunity. Expectancy theory is part of the motivational theory put forward by Vroom (1964), this theory reveals that the factor that drives someone in work is the expectation that employees will receive from the burden and work performance. Two factor theory was proposed by Herzberg (1959), which revealed that employee job satisfaction is influenced by internal factors (satisfies or motivators) and external factors (Dissatisfies or hygiene factors). Internal factors the company's strategy in providing motivation to employees and external factors related to the work environment, salary level, relationships between employees and superiors.

2.1 Employee Performance

Performance is the level of achievement of the result "the degree of accomplishment", or in other words performance is the level of achievement of the organization in one year (Hameed, et.al, 2015). While employee performance is the level of individual achievement in one period (Schein, 2004) and employee performance is an accumulation of pregnancy, effort and external conditions that influence (Davis, 1996). The performance of employees in the Directorate General of Tax (DGT) is measured using the realization of employee performance targets contained in the employment contract and is an elaboration of Key Performance Indicators (KPI). Performance measurement is carried out with the aim of evaluation and development, which relates to orientation, time, methods and roles (Achieng, et.al, 2014).

2.2 Karakteristik demografi

Demographic characteristics are the classification of individuals based on gender, age, tenure (Robins and Judge, 2017: 89). Gibson, et.al (1999) demographic variables consist of age, gender, experience and education. The demographic characteristics used in this study were the level of education, work experience and intensity of training (training). Siengthai (2016) conducted a study on banking companies in Thailand revealing the demographic characteristics affecting employee performance. Martin and Liuser (2018) found that the competence of an employee is one of the factors that can improve employee performance.

2.3 Remunerisasi

Remuneration is a form of responsibility given by the company to employees on the basis of workload and work performance produced by employees (Pora, 2011). A good remuneration scheme is based on the principle of pay for 3 pay's (pay for position, pay for performance and pay for people). The Directorate General of Tax (DGT) remuneration scheme is based on the burden and work performance. This is regulated in Presidential Regulation No. 96 of 2017, which is a revision of Presidential Regulation No. 37 of 2015. Based on the change in scheme, it is necessary to examine whether changes in the remuneration scheme have an impact on improving performance. Gungor (2011), Karatepe (2013) and Hameed, et al. (2015) revealed that remuneration or gifts given by companies are factors that drive employees to improve productivity

2.4 Job redesign

Job redesign is an activity of designing or reconstructing plans that have been made about the work tasks of employees in accordance with the needs and abilities of individuals (Siengthai, et.al, 2016). Job redesign is used as a management strategy to develop a dynamic and productive work environment in the business (Wood, et.al, 2012). Job redesign is also used by companies to avoid employees from over routine which will lead to work saturation (Robins dan Judge, 2017:274). Maxwell (2008), revealed that job redesign increases employee work productivity, because it avoids work that causes over routine. Ali and Zia-ur- Rehman (2014) who conducted research on the consumer goods industry, revealed that under the design of work it was able to increase employee productivity.

2.5 Kepuasan kerja

Job satisfaction is a measurement of a person's work or experience in terms of positive emotions or pleasure in work (Locke, 1976) and people's feelings (likes or dislikes) in work (Spector, 1997). Job satisfaction is one of the most important factors in an organization, the higher the level of job satisfaction someone will create loyalty to the company and they will be motivated to increase productivity performance, and vice versa (Robins and Judge, 2017: 301). Based on two factor theory, job satisfaction is influenced by extrinsic satisfaction or dissatisfaction (hygiene factor) related to salary, job security and relations between employees. As well as intrinsic satisfaction or satisfies (Motivators) that relate to work conditions (work it self), there are opportunities for achievement, the existence of responsibility and promotion. Zaheer (2017), mengungkapkan bahwa kepuasan kerja berpengaruh kuat terhadap kinerja pegawai sektor publik di Italia. Farooqui and Nagandra (2014) revealed that an employee who has job satisfaction, then the employee will feel happy and work hard in completing the responsibilities charged.

The research model in this study can be seen in the following figure 2.1:

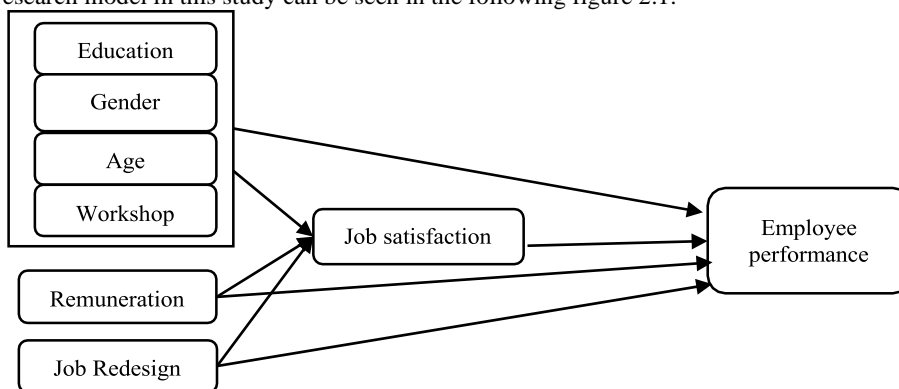


Fig 1. Model of the study

3. RESEARCH METHOD

3.1 Research design

The method used in this study is a quantitative method with a comparative causal research type. Comparative causal research is the study whose characteristic problem is a causal relationship between variables (Indriantoro and Soepomo, 2016: 27). This research attempts to analyze the factors that influence employee performance that are predicted using demographic characteristics, remuneration, job redesign and job satisfaction variables. This research is a survey research and data is collected through a questionnaire.

3.2 Object of research

The object of this research is employees of the Directorate General of Tax (DGT) in the Regional Office of DGT of East Java I, works in the account representative, billing, inspection, processing data and information, tax bailiffs and general parts, which are spread in one Regional Office, one Middle Tax Service Office and fourteen Primary Tax Service Offices.

3.3 Populasi dan sampel

The population in this study are all employees who work on the account representative, billing, checking, processing data and information, tax bailiffs and general parts, which are spread in the Regional Office of the Directorate General of Tax (DGT) of East Java I. The sampling technique used in this study is cluster sampling by one stage cluster sampling.

Cluster sampling is used because elements of the population are geographically dispersed so it is difficult to arrange sampling frames (Ghazali, 2011). Cluster is a unit that contains a set of population elements and in using cluster sampling, researchers must choose a sample in the form of clusters from the population, then from each cluster the samples are derived in the form of elements or often called a one-stage cluster sampling.

3.4 Operational definitions and variable measurements

Employee performance variables as endogenous latent variables are measured by using indicators of employee work goals realization and assessment of employee work behavior. Exogenous latent variables in this study are demographic characteristics, remuneration and job redesign. Demographic characteristics for the level of education are measured on a nominal scale, gender is measured by male and female and the intensity of training is measured on an interval scale which then determines the mean and standard deviation. Remuneration is measured by indicators based on Presidential Regulation No. 96 of 2017, remuneration based on organizational performance, employee performance and workload. Job Redesign is measured by job rotation indicators and job enlargement (Seingthei, et.al 2016). Job satisfaction variables as mediating variables are measured by intrinsic and extrinsic satisfaction indicators (two factor theory).

3.5 Data analysis techniques

The data in this study are primary data collected through questionnaires. The questionnaire sent to the respondent has three possibilities, the respondent responds, responds incompletely and does not respond, so this method has a weakness that is nonresponse bias (Sholihin and Ratmono, 2013). To correct weaknesses, a test (independent t test) was carried out for 30% of the initial and final samples, using a significance of 5%.

The data analysis method of this study uses Partial Last Square (PLS). According to Hair, et.al (2010) PLS is right used to reduce data, by determining the minimum number of factors needed to calculate the maximum proportion of the total variants represented. Data analysis using SEM-PLS according to Sholihah and Ratmono (2013) begins with (1) Conceptualization of the model, (2) Determine the algorithmic analysis model, (3) Determine the resampling method, (4) Draw path diagrams, (5) Evaluate the model. This research model can be formulated as follows

$$JS : \beta1 LE + \beta2 Gen + \beta3 Age + \beta4 Wsp + \beta5 RM + \beta6 JR + \epsilon1 \dots\dots\dots(1)$$

$$EP : \beta7 LE_P + \beta8 Gen + \beta9 Age + \beta10 Wsp + \beta11 RM + \beta11 JR + Y1 JS + \epsilon2 \dots\dots\dots(2)$$

Explanation:

- LE : Level of education
- Gen : Gender
- Age : Age
- Wsp : Workshop
- RM : Remuneration
- JR : Job redesign
- JS : Job satisfaction
- EP : Employee performance

3.5.1 Model Evaluation

Model evaluation based on SEM-PLS was tested in two stages, evaluation of measurement models (outer model) and evaluation of structural models (inner models). The measurement model is carried out to test the validity and reliability of the instrument in the research model. A valid instrument if it has a loading factor value above 0.70 and AVE above 0.05 for a reflective construct and has a p value below 0.05 and a VIF value below 3.3 for a formative construct (Ghazali and Latan, 2015). A real instrument if it has a composite reliability value and cronbach's alpha above 0.7 (Ghazali dan Latan, 2015).

Inner model testing to test the relationship between latent variables. The hypothesis is accepted if it has a path (β) coefficient > 0 and p-value <0.05 . Testing the mediation hypothesis by looking at the total effect and p value for total effect. Job satisfaction can mediate if it has a total effect value >0 and p-value for total effect <0.05 .

Testing the mediating effect of this study using the Variance Accounted For (FAV) method, this method is considered to have high power statistics and does not require assumptions as in the Sobel method (Hair, et.al, 2013). A construct can mediate fully if it has a VAF value of $> 80\%$, a construct that mediates in part if it has a value of $20\% <VAF <80\%$ and if a construct has a value of $VAF <20\%$ there is no mediating effect (Sholihin dan Ratmono, 2013).

4. ANALAYSIS, RESULTS AND DISCUSSION

Respondents of this study were all employees of the Directorate General of Tax (DGT) of East Java I. The questionnaires distributed amounted to 215 and those returned 158 (74%). Based on the results of the analysis, the resondent characteristics in this study are shown in table 1.

Table 1. Respondent characteristic

Characteristic	Position					
	AR	BL	I	PD I	TB	GP
Gender						
Male	82%	32%	27%	27%	80%	17%
Female	18%	68%	73%	73%	20%	83%
Education						
Low level high school	25%	63%	60%	68%	71%	88%
High level high school/BSc	71%	24%	30%	25%	20%	8%
High School/MSc	4%	13%	10%	6%	9%	3%
Age						
Below 31 years (Gen-Y)	24%	47%	71%	52%	26%	41%
32-45 years (Gen-X)	46%	21%	13%	37%	57%	47%
46-65 years (Baby Boom)	30%	32%	16%	11%	17%	12%
Experience						
Below 7 years	69%	74%	75%	67%	71%	75%
8-14 years	19%	16%	7%	24%	20%	20%
over 15 years	12%	10%	17%	9%	9%	5%

Explanation: Account Representative (AR), Billing (BL), Inspection (I), Processing Data and Information (PDI), Tax Bailiffs (TB), General Parts (GP).

Table 1 describes the number of male respondents in the representative accounts representative with 82% compared to female employees, but for the general part dominated by female employees with 83% compared to male employees. The employee of

the DJP of East Java 1 was still dominated by employees with low/only high school education, the average age of employees was below 31 years and work experience was under 7 years.

The distributed questionnaire has three possibilities; respond, respond incomplete and do not respond. the results of the study describe return questionnaires 158 (74%), incomplete questionnaires 8 (4%) and questionnaires that did not return 49 (22%). The number of questionnaires that did not return was quite large, which was 22% so it was necessary to carry out a nonresponse bias test, to ensure that respondents who did not answer had the same answers as the respondents who answered. the nonresponse bias test results can be seen in table 2, proving empirically that there are no significant variables ($\text{sig} > 0.05$), meaning there is no difference between respondents who respond and do not respond, so that it can be used to generalize research findings.

Table 2. Independent t test

Variable	Independent t test					
	t-Value	Sig	Mean-early	Mean_end	Mean Difference	90% Convidence Interval Upper Lower
RM_early – end	-0.055	0.051	18.29	18.33	-0.042	-1.536 1.453
JR_early – end	0.077	0.300	24.77	24.71	0.630	-1.540 1.665
JS_early – end	1.904	0.063	29.17	31.17	-2.000	-4.086 0.086
EP_early – end	1.290	0.054	20.21	19.56	0.460	-0.348 -1.640

4.1 Measurement model analysis

Evaluation of measurement models is used to view instruments in a valid and reliable study. This study uses two types of variable; reflective and formative type. Endogenous constructs are employee performance using formative variable types and all exogenous variables and mediating variables using reflective variable types.

Table 3. Validity (convergent and discriminant) and reliability test

Instrumen	Validity						Reliability	
	P Value	VIF	AVE	Loading Factor	Outer Loading	AVE Square	Composite Reability	Cronbach Alpha
Education	<0,001	1,186	1,000	1,000	0,000	1,000	1,000	1,000
Gender	<0,001	1,310	1,000	1,000	0,000	1,000	1,000	1,000
Age	<0,001	1,127	1,000	1,000	0,000	1,000	1,000	1,000
Workshop	<0,001	1,077	1,000	1,000	0,000	1,000	1,000	1,000
Remunerisation	<0,001	2,094	0,620	0,827	-0,066	0,787	0,890	0,845
Job Redesign	<0,001	2,776	0,538	0,750	-0,035	0,734	0,891	0,856
Work Satisfactor	<0,001	2,051	0,633	0,749	0,007	0,796	0,932	0,917
Work Performance	<0,001	3,034	0,645	0,843	-0,091	0,803	0,901	0,861

Based on table 3, test convergent and discriminant validity for formative type variables. Convergent validity for formative constructs has p value <0.001 and VIF 3.034 (<3.3) and for dikriminan validity the formative construct has p value <0.001 and has AVE 0.645 (0.5). So that it can be concluded that the formative construct has fulfilled the validity test of convergent and discriminant validity.

Convergent validity test for reflective construct can be seen from the value of outer loading factor, p value and AVE. Based on table 3, all reflective constructs have an outer loading value above 0.7, p value <0.001 and the AVE value above 0.5. The discriminant validity test for reflective construct is seen from the value of outer loading factor and quadrad AVE. Based on table 3 the value of all outer loading is smaller than the value of the loading factor and the value of quadrad AVE is greater than the correlation between variables. So it can be concluded that the refractive construct has fulfilled the test of convergent and discriminant validity.

Reliability test for constructs that are formative or reflective type is measured using composite reliability and cronbach alpha. Based on table 4 the composite reliability and cronbach alpha values have values above 0.7, so that all constructs in this study has fulfilled the reliability test.

4.1 Structural model analysis

Evaluation of structural models or inner models is used to predict latent variable relationships. The results of testing the structural model (inner model) can be seen in the R-Square value (R^2) for exogenous constructs and path coefficient values for endogenous constructs. The results of testing the structural model using PLS are shown in table 5. Testing of direct effects shows that the level of education has a positive effect on employee performance (path coefficient: 0.17, $p < 0.01$ and R^2 0.30). Therresults of this study support the research conducted by Cheng, et al (2010), which revealed that the level of education had an effect on performance. The results of this study also support the research of Shaffril and Uli (2010), which revealed that demographic characteristics in the form of education levels were able to improve performance, and Robins and Judge, (2017: 280), revealed that the higher one's education, the more motivated they were in increasing productivity its performance. As well as, the results of this study support the theory of work performance, which describes an employee who has high competence and will work effectively and efficiently.

Based on table 5, there are two constructs that have no effect on employee performance, gender and workshop, because they have a p value > 0.05. Gender has a path coefficient value: 0.03 and p 0.34, it can be concluded that in the work environment gender does not affect employee performance, because male and female employees have the same workload. Whorkshop has a path coefficient value: 0.08 and p 0.17, so it can be concluded that the intensity of attending workshops is not able to improve employee performance. Based on the results of the survey that has been carried out, the intensity of attending workshops among employees is very diverse, there are those who have attended the workshop more than 10 times and there are those who have not participated at all, so this is one of the factors causing the workshop to be unable to improve performance.

Table 4. PLS Result (Path Coefficient, t statistic and R²)

Variable	Direct Effect			Indirect Effect		
	Path Coef	p value	R2	Total effect	p value	R2
Education	0.17	0.01	0.30	0.157	0.015	0.34
Gender	0.03	0.34		0.040	0.305	
Age	0.19	<0.01		-0.212	0.003	
Workshop	0.08	0.17		0.079	0.157	
Remunerisation	0.14	0.04		0.168	<0.001	
Job Redesign	0.15	0.02		0.281	<0.001	
Work Satisfaction	0.025	<0.01				

Remuneration has a positive effect on employee performance (path coefficient: 0.14 and p 0.04). So that the higher the remuneration provided by the company, the employee will increase the productivity of his performance. The results of this study support the research conducted by Ramadhanti (2012), Gungor (2011), Karatepe (2013), Hameed, et al (2015) and Kawedar (2015), which revealed remuneration in the form of financial and non-financial performance to improve performance. the results of this study also support the expectation of the theory which describes that the main motivation for attacking employees to work is to get a salary and bonus. Based on table 5 job redesign has a positive effect on employee employee performance (path coefficient: 0.15 and p 0.02). Job redesign conducted by the company in the form of job rotation and job enlargement can prevent employees from over routine. The results of this study support the research conducted by Morrow et al (2012), Maxwell (2008) and Ali and Zia-ur-Rehman (2014).

Result on table 5, indirect effects testing or through mediating variables, there are two variables that have no effect on performance through mediating variables; gender and workshop, because it has a p value > 0.05 (p; 0.305 and p; 0.157). Whereas for other latent variables, job satisfaction is able to be a good mediator, this can be seen in the path value of the indirect influence greater than direct influence. The results of this study are in line with the research conducted by Sudjono (2018) and Gul, et al (2018), which describe that job satisfaction can be mediated between demographic characteristics and employee performance. Sudjono (2018) and Robins and Judge (2017: 275) research revealed job satisfaction to be a mediator of remuneration with employee performance. The study of Seingthei, et al. (2016), revealed that job redesign did not affect employee performance except through mediators of job satisfaction.

Table 5. Mediation Effect

	Variance Accounted For (VAF) Counted		
Indirect effect			
Edu → WS → WP	0.07	0.17	0.0119
Gender → WS → WP	0.03	0.03	0.0009
Age → WS → WP	0.09	0.19	0.0171
Workshop → WS → WP	0.01	0.08	0.0008
RM → WS → WP	0.12	0.14	0.0168
JR → WS → WP	0.51	0.15	0.0765
Total indirect effect			0.124
Direct effect			
Edu → WP			0.170
Gender → WP			0.030
Age → WP			0.190
Workshop → WP			0.080
RM ==> WP			0.140
JR ==> WP			0.150
Total direct effect			0.760
Total effect			0.884
VAF= Total indirect effect/total effect			0.140
Percentage			14%

Testing of mediation effects is done by the Variance Accounted For (VAF) method, this method is used because it has a statistical power compared to the Sobel method. Calculation of VAF is done by comparing the total indirect influence with total influence. Based on table 6, it shows that job satisfaction has a very low mediating effect, which is only 14%, so according to Sholihin and Ratmono (2013), this study does not have a mediating effect, because the value of VAF is below 20%.

5. CONCLUSIONS, LIMITATIONS AND FUTURE RESEARCH

This study investigates the influence of demographic characteristics, remuneration, job redesign on employee performance and job satisfaction as mediation. Using 215 samples of employees of the Directorate General Tax (DGT) of East Java I. This study found that the level of education, remuneration and job redesign had an effect on employee performance. The higher the level of education of an employee it will work effectively, as well as remuneration, the higher the level of remuneration provided by the company, the employee will be motivated at work. Job redesign carried out by companies is able to eliminate over-routine work for employees and they are able to understand the complexity of the business. Job satisfaction can be a mediator of the influence of education level, remuneration and job redesign on employee performance. The higher the factors that affect employee performance when added to job satisfaction will reach the maximum output and outcome.

The limitation of this study is that having a r-square which is quite low is only 30%, meaning that the endogenous construct is only able to be explained by 30% by exogenous constructs in the study. Based on the calculation of VAF, job satisfaction is not able to be a mediator of relations between constructs. So that for future research, can look for other factors that are predicted to be able to influence employee performance and look for other mediator constructs.

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