

The Effect of Remuneration and Motivation on the Performance of Healthcare Workers at Tebet Regional General Hospital

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Abstract

The effectiveness of the Regional Public Service Agency (Badan Layanan Umum Daerah – BLUD) system in public hospitals is fundamentally contingent upon the alignment between financial management policies, remuneration systems, and the work motivation of healthcare personnel. In principle, the BLUD framework is intended to provide flexibility in financial management to enhance institutional performance and service quality. Nevertheless, such flexibility does not inherently ensure optimal performance outcomes unless it is supported by well-developed human resource policies, particularly in relation to remuneration and employee motivation. In light of this, the present study seeks to examine the effects of remuneration and motivation on the performance of healthcare workers at Tebet Regional General Hospital. To achieve this objective, a quantitative approach employing a cross-sectional design was adopted. The study population comprised 163 healthcare workers, all of whom were included as respondents through a total sampling technique. Data were collected using structured questionnaires and subsequently analysed using multiple linear regression. The findings reveal that remuneration exerts a positive and statistically significant effect on healthcare workers' performance ($t = 2.989 > t_{\alpha\beta 1e} = 1.975$). In a similar vein, motivation also demonstrates a positive and significant effect ($t = 4.834 > t_{\alpha\beta 1e} = 1.975$). Furthermore, when considered simultaneously, remuneration and motivation significantly influence performance ($F = 13.519 > F_{\alpha\beta 1e} = 3.05, \alpha = 0.05$). The coefficient of determination ($R^2 = 0.145$) indicates that 14.5% of the variance in performance is explained by these variables, whereas the remaining 85.5% is attributable to other factors not included in the model. Taken together, these findings confirm that remuneration and motivation, both individually and collectively, exert a positive and statistically significant influence on the performance of healthcare workers.

Keywords:

Remuneration;
Motivation;
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INTRODUCTION

Tebet Regional General Hospital (Rumah Sakit Umum Daerah – RSUD) functions as a technical implementing unit under the Provincial Health Office of the Special Capital Region of Jakarta, serving as a primary provider of public healthcare services within its designated service area. In accordance with Law Number 17 of 2023 on Health, the hospital is mandated to deliver comprehensive healthcare services, encompassing promotive, preventive, curative, and rehabilitative functions. This regulatory framework underscores the obligation of regional governments to ensure the availability, accessibility, and quality of equitable and sustainable healthcare services.

Building on this institutional mandate, Tebet Regional General Hospital has implemented the Regional Public Service Agency Financial Management Pattern (Pola Pengelolaan Keuangan Badan Layanan Umum Daerah – PPK-BLUD), as stipulated in Government Regulation No. 12 of 2019 and Minister of Home Affairs

Regulation No. 79 of 2018. Through this framework, public hospitals are granted a degree of financial autonomy, while remaining bound by the principles of accountability, efficiency, and performance-oriented service delivery.

However, despite the structural advantages offered by the BLUD system, the achievement of organisational effectiveness is not solely dependent on financial flexibility. Rather, it necessitates the effective management of organisational resources, particularly human resources. In this regard, remuneration systems and employee motivation emerge as critical determinants of workforce performance.

From this perspective, the effectiveness of the BLUD system can be understood as closely linked to the extent to which financial policies align with remuneration structures and strategies aimed at enhancing employee motivation. While the system is designed to improve service quality through flexible and performance-based financial management, its success ultimately depends on the presence of supportive human resource policies.

Consequently, a more comprehensive understanding of the relationship between remuneration, motivation, and employee performance is essential. Such understanding not only contributes to the theoretical development of human resource management but also provides practical insights for strengthening the implementation of the BLUD framework in public healthcare institutions.

METHODS

In order to address the research objective, this study adopts a quantitative research design utilising a survey method. The study population consists of all healthcare workers who are recipients of the hospital's internal remuneration system, including both Civil Servants (Pegawai Negeri Sipil – PNS) and non-civil servant employees actively employed at Tebet Regional General Hospital.

Although the Slovin formula was initially considered to determine the minimum sample size with a margin of error of 5%, the relatively manageable size of the population enabled the application of a total sampling technique. Accordingly, all 163 healthcare workers were included as respondents, thereby enhancing the representativeness of the data.

With regard to data collection, a structured questionnaire based on a Likert scale was employed to measure three principal variables, namely remuneration, motivation, and healthcare workers' performance. Subsequently, the collected data were analysed using descriptive statistics and multiple linear regression analysis in order to examine the relationships between variables and to test the proposed hypotheses.

RESULTS AND DISCUSSION

3.1 Descriptive Statistics

To begin with, the age distribution of respondents indicates that the majority of healthcare workers were aged 30–40 years ($n = 110$; 67.5%). This is followed by those aged 20–30 years ($n = 37$; 22.7%) and 40–50 years ($n = 16$; 9.8%).

This distribution suggests that the workforce is predominantly concentrated within the productive age group. In theoretical terms, such a demographic profile is often associated with relatively stable performance levels, as well as higher levels of work motivation and adaptability within organisational settings.

3.2 Multiple Linear Regression Analysis

Following the descriptive analysis, the study proceeds with multiple linear regression analysis to examine the influence of remuneration and motivation on performance. The estimated regression model is expressed as follows:

$$Y = 13.233 + 0.117X_1 + 0.281X_2$$

In this model, Y represents healthcare workers' performance, while X_1 and X_2 denote remuneration and motivation, respectively.

The results indicate that both independent variables contribute positively to performance. More specifically, the constant (13.233) reflects the baseline level of performance when all predictors are held constant. Meanwhile, the coefficient for remuneration ($\beta_1 = 0.117$) suggests a modest positive contribution. In contrast, motivation ($\beta_2 = 0.281$) demonstrates a comparatively stronger effect, thereby indicating its more substantial role in influencing performance outcomes.

3.3 Hypothesis Testing

3.3.1 Partial Effects (t-test)

Table 1. Results of Partial Hypothesis Testing

| Variable | β Coefficient | t-value | Sig. (p) | Decision |
|--------------|---------------------|---------|----------|----------------|
| Remuneration | 0.117 | 2.989 | 0.003 | H_0 rejected |
| Motivation | 0.281 | 4.834 | 0.000 | H_0 rejected |

In terms of partial effects, remuneration is found to have a positive and statistically significant effect on healthcare workers' performance ($t = 2.989$, $p < 0.05$). This finding implies that an equitable and transparent remuneration system contributes to improved employee performance.

Furthermore, motivation exhibits a stronger and highly significant effect ($t = 4.834$, $p < 0.05$). This suggests that psychological factors play a pivotal role in shaping performance outcomes, as employees with higher motivation tend to demonstrate greater commitment, responsibility, and service quality.

3.3.2 Simultaneous Effect (F-test)

Table 2. Results of Simultaneous Hypothesis Testing

| Model | F-value | Sig. (p) | R^2 | Interpretation |
|-------------------------------|---------|----------|-------|-----------------------------|
| X_1 and $X_2 \rightarrow Y$ | 13.519 | 0.000 | 0.145 | Significant joint influence |

In addition to the partial effects, the F-test confirms that remuneration and motivation jointly exert a statistically significant influence on performance ($F = 13.519$, $p < 0.05$).

Moreover, the coefficient of determination ($R^2 = 0.145$) indicates that 14.5% of the variance in performance is explained by the model. The remaining variance is attributable to other unobserved factors, thereby suggesting that employee performance is inherently multidimensional.

Taken together, these findings highlight that performance is influenced by both extrinsic factors (such as remuneration) and intrinsic factors (such as motivation), reinforcing the need for an integrated human resource management approach.

CONCLUSION

Drawing upon the empirical findings, this study arrives at several key conclusions. First, remuneration has been shown to exert a positive and statistically significant effect on healthcare workers' performance. This indicates that improvements in compensation systems are associated with enhanced employee performance.

Second, motivation exerts a stronger, more significant influence on performance, underscoring its critical role as a primary driver of employee productivity.

Finally, when considered simultaneously, remuneration and motivation significantly influence performance. This confirms that performance outcomes are shaped by the interaction between organisational (structural) and psychological (individual) factors.

From a theoretical standpoint, the findings of this study reinforce contemporary human resource management perspectives by demonstrating that employee performance is determined by both structural and psychological dimensions. In particular, the results lend support to performance-based reward theory and are consistent with Self-Determination Theory, which emphasises the centrality of intrinsic motivation in influencing employee behaviour and productivity.

From a practical perspective, several managerial implications can be derived.

Firstly, organisations should prioritise the development of transparent, equitable, and performance-based remuneration systems in order to enhance employee outcomes. Secondly, institutions should actively foster employee motivation through supportive work environments, continuous professional development, and participatory management practices.

In addition, improvements in workplace conditions, including the provision of adequate facilities and balanced workloads, are essential for sustaining job satisfaction and performance. Furthermore, the effective integration of remuneration and motivation strategies may contribute to improved employee retention and organisational stability.

Ultimately, enhancing individual performance will have a direct and positive impact on service quality and institutional credibility.

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