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THE INFLUENCE OF IMPLEMENTATING PERFORMANCE ALLOWENCE POLICIES AND LEADERSHIP ON EMPLOYEE PERFORMANCE AT RSUD HAJI MAKASSAR

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Abstract

The primary objective of this study is to investigate the impact of the implementation of performance allowance policies and leadership on employee performance within the context of Haji Makassar General Hospital. The quantitative research methodology aims to elucidate the causal relationship between the variables under examination. The population under investigation consisted of 67 employees of Haji Makassar General Hospital, and the entire population was included as the sample for this study. The data collection techniques included questionnaires, documentation analysis, interviews, and an extensive literature review. The data analysis methodology contained multiple regression analysis and hypothesis testing in partial and simultaneous manners. The research findings indicate that the variables of performance allowance policies and leadership engagement exhibit a positive and significant influence on employee performance at Haji Makassar General Hospital. In other words, the research hypothesi.

Keywords: *Performance Allowence Policies, Leadership and Employee Performance*

1. INTRODUCTION

The hospital healthcare institution is an organization that carries out operational activities in the public service sector, focusing on resolving community health issues. Its prominent role is to integrate and harmonize healing and reconstruction, and the healthcare institution needs to consider patient satisfaction and service utilization following the decisions of the Minister of Health of the Republic of Indonesia No. 983/Men.Kes/SK/XI/1992

Assessment and calculation of evaluation results in healthcare institutions are crucial and should be prioritized by hospitals. Various parties related to the hospital institution, such as employees, will significantly benefit from assessments and evaluations of hospital performance, such as goals for improving policies related to performance-based employee benefits. Furthermore, hospital stakeholders, such as owners and shareholders, will benefit from information and facts associated with the accountability of healthcare institution management regarding evaluating performance in managing hospital resources. In this way, hospital leaders can enhance employee performance. Moreover, the hospital's performance evaluation results also serve as a guide or consideration factor for the public in choosing a hospital for healthcare services.

The theory presented by Simamora (2004) states that benefits can be defined as payments or services provided in addition to the basic salary, which the organization can fully or partially cover. Performance remuneration is related to additional benefits proposed for resources or employees, such as official transportation, health allowance facilities, free lunches, annual leave, and others, which can sustain and support an employee's quality of work and performance. Improving the healthcare institution's capabilities in terms of performance benefits is the agility of an employee in carrying out assigned tasks and responsibilities, enabling the achievement of the goals and objectives of an institution.

In addition to receiving a basic income, civil servants (ASN) also receive performance remuneration, facilities, and infrastructure to support their activities. In the context of additional rewards for job performance, these benefits are achieved and determined by the institution. At the same time, the cost-of-living allowance is related to the standardization of indices implemented in each respective region. The state budget (APBN) will cover the remuneration received by central government employees, while regional government employees will be covered by the Regional Income and Expenditure Budget (APBD) as stipulated in Article 80 of the 2014 5-Year Law.

The achievement of an organization's goals, vision, and mission is greatly influenced by the role of a leader, who must possess adequate capabilities, competencies, and knowledge in management strategies and demonstrate good behavior. The leader's ability to influence and guide others, make decisions, and take responsibility is crucial. Additionally, leaders need to be able to communicate ideas wisely, provide support, care about well-being, and motivate team members. Personal approach (interpersonal relationships) is also an important aspect of building good relationships with subordinates.

According to Robbins (2011:410), leadership refers to an individual's ability to influence or motivate others to move toward achieving established visions and goals. Leadership is considered one of the three supervision activities and an essential element in maintaining organizational quality. Thus, individual leadership has a significant impact on the organization or institution through guidance and instructions given to others to improve employee performance. In this regard, the achievement of organizational goals or objectives becomes the expected outcome. Employee performance can be observed through how well they complete their tasks, good attendance, punctuality, and wholehearted service.

RSUD Haji Makassar is a public hospital built by the South Sulawesi provincial government. Therefore, RSUD Haji Makassar also implements a performance benefits policy for employees to improve their performance and motivation in their work. However, when implementing the performance benefits policy, there are still shortcomings in its implementation due to delays in the treasurer's and leaders' signatures, resulting in the slow disbursement of performance benefits, which in turn leads to a decrease or slowdown in employee performance. The procedure that must be fulfilled to claim performance benefits involves checking employee attendance and the Employee Performance Targets (SKP), which are then submitted to the treasurer to receive the performance benefits.

Furthermore, based on research conducted by the Center for Education and Training of BPKP Supervisory Agency (2020), it is stated that hospital administration management needs to be improved more effectively, as seen from the minimal number of patient complaints in completing the administrative process. Slow administrative services that require waiting time can potentially reduce the reputation and productivity of the hospital. Staff members' lack of responsiveness and innovation, as they are only focused on routine tasks that have become their habits, can negatively impact the hospital's performance. Therefore, providing performance benefits and effective leadership are expected to help improve employee performance.

2. RESEARCH METHOD

The research methodology utilized in this study is quantitative with a causal nature, aiming to examine the role of exogenous variables on endogenous factors. The research was conducted over two months in the area of RSUD Haji in South Sulawesi Province, located at Jl. Dg. Ngeppe, No. 1, Tamalate District, Makassar City. The research method employed was a population study, where the entire population of 67 employees at RSUD Haji Makassar was selected as the sample. Data analysis involved testing research instruments, classical assumptions, multiple regression, and hypothesis testing to reveal the relationship between the implementation of performance benefits and leadership with employee performance.

3. RESULTS AND DISCUSSION

3.1 Instrument Test Results

3.1.1 Validity Test

The results of the validity testing can be seen in the following table:

Table 1. The Results of the Validity Test

Variable	Statement items code	R count	R table	Information
	X11	0.541	0.2369	Valid
	X12	0.621	0.2369	Valid
Performance Allowance Polocies (X1)	X13	0.606	0.2369	Valid
	X14	0.502	0.2369	Valid
	X15	0.363	0.2369	Valid
	X21	0.348	0.2369	Valid

Leadership (X2)	X22	0.250	0.2369	Valid
	X23	0.351	0.2369	Valid
	X24	0.334	0.2369	Valid
	X25	0.651	0.2369	Valid
Employee Performance (Y)	Y1	0.499	0.2369	Valid
	Y2	0.280	0.2369	Valid
	Y3	0.669	0.2369	Valid
	Y4	0.691	0.2369	Valid
	Y5	0.652	0.2369	Valid

Source: Data processing results from SPSS version 25 (2023)

The results of the attached table indicate that all statements in the performance benefits, leadership, and employee performance factors meet the established requirements, with correlation values exceeding 0.2369.

3.1.2 Reliability Test

Table 2. Reliability Test Results

Cronbach's Alpha	Cronbach's Alpha Based onStandardized Items	N of Items
.697	.674	15

Source: Data processing results from SPSS version 25 (2023)

Based on the analysis in the table above, Cronbach's Alpha values exceeding 0.60 were obtained for all proposed statement items. This indicates that the data processing yielded good reliability. Thus, it can be concluded that all variables are reliable as they possess Cronbach's Alpha values above 0.60.

3.2. Classical Assumption Test

3.2.1 Normality Test

The following are the results of the normality test for the data in this study:

Table 3. Results of Data Normality Test

One-Sample Kolmogorov-Smirnov Test

			Unstandardized Predicted Value
N			67
Normal Parameters[a,b]	Mean		21.7611940
	Std. Deviation		.63918780
Most Extreme Differences	Absolute		.139
	Positive		.086
	Negative		.139
Test Statistic			.139
Asymp. Sig. (2-tailed)[c]			.200
Monte Carlo Sig. (2-tailed)[d]	Sig.		.003
	99% Confidence Interval	Lower Bound	.001
		Upper Bound	.004

Source: Data processing results from SPSS version 25 (2023)

From the table presented above, it can be observed that the significance value of the normality test (Asymp. Sig, 2-tailed) is 0.200. This value indicates that the significance is greater than the predetermined threshold value of 0.05. Therefore, it can be concluded that the data under study follows a normal distribution.

3.2.2 Multicollinearity Test

The following are the results of the multicollinearity test:

Table 4. Results of the Multicollinearity Test

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	Performance Allowance Polocies	,794	1.259
	Leadership	,794	1,259

Source: Data processing results from SPSS version 25 (2023)

Based on the results in the reference table, it can be concluded that the Tolerance value for the Performance Benefits (X1) and Leadership (X2) variables is 0.794, which exceeds the value of 0.10. The VIF value for the Performance Benefits (X1) and Leadership (X2) variables is also 1.259, smaller than 10. Therefore, it can be inferred that there is no indication of multicollinearity in this study.

3.3 Multiple Linear Regression Analysis

Multiple linear regression will be utilized as an analytical tool to determine the influence of Performance Benefits Policy and Leadership (X) on employee performance (Y) at RSUD Haji Makassar. The results of this study can be seen in the following table:

Table 5. Regression Test Results

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	12.741	2.827		4.507	.000
	Allowences	.313	.141	.287	2.219	.030
	Leadership	.297	.080	.157	1.712	.000

Source: Data processing results from SPSS version 25 (2023)

Referring to the presented Table 5, the determination of the influence of performance benefits and leadership on employee performance can be made through the multiple linear regression equation. Furthermore, hypothesis testing was also conducted as follows:
Multiple linear regression equation:

$$Y = 12.741 + 0.313X1 + 0.297X2$$

The interpretation of the values is as follows:

1) The constant value (α) of 12.741 indicates that if the performance benefits and leadership variables have a value of zero (0), the resulting employee performance will have a positive value of 12.741.
2) The regression coefficient of the exogenous factor, Performance Benefits Policy (X1), has a positive value of 0.313, indicating that the Performance Benefits Policy factor has a positive influence on employee performance at RSUD Haji Makassar. In other words, if performance benefits are enhanced, employee performance at RSUD Haji Makassar will also improve.
3) The regression coefficient of the exogenous factor, Leadership (X2), has a positive value of 0.297, indicating that the Leadership factor has a positive influence on employee performance at RSUD Haji Makassar. This positive relationship indicates that an improvement in leadership will impact an increase in employee performance at RSUD Haji Makassar.

3.4 Hypothesis Testing

3.4.1 Partial Test

The preliminary assumptions of the research were checked by comparing the calculated t-value with the critical t-value at a significance level of 0.05. The degrees of freedom obtained were 64, with the determination of the critical t-value degrees of freedom as df = (n-k-1) = 67-2-1 = 64, where n represents the total data used in the hypothesis testing and k represents the number of exogenous factors tested in this research. Therefore, the critical t-value obtained is 1.668.

The decision criteria are as follows: The alternative hypothesis (Ha) is accepted if the calculated t-value < the critical t-value or the calculated t-value > the critical t-value at a significance level of a = 5%.

1) The results of the first hypothesis (H1) testing show that the calculated t-value of 2.219 is greater than the critical t-value of 1.668. Furthermore, the resulting significance is 0.030, which is less than 5%. Thus, the first hypothesis (H1) is accepted, indicating that the exogenous factor, Performance Benefits (X1), has a positive direct relationship with the endogenous factor, Employee Performance (Y).
2) The results of the second hypothesis (H2) testing show that the calculated t-value of 1.712 is greater than the critical t-value of 1.668. Furthermore, the resulting significance is 0.000, which is less than 5%. Thus, the second hypothesis (H2) is accepted, indicating that the exogenous factor, Leadership (X2), has a positive direct relationship with the endogenous factor, Employee Performance (Y).

3.4.2 Simultaneous Test

Based on the simultaneous test results, the following are obtained:

Table 6. Simultaneous Test Results

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	26.965	2	13.483	5.559	.006[b]
	Residual	155.214	64	2.425		
	Total	182.179	66			

Source: Data processing results from SPSS version 25 (2023)

The F-test is utilized to determine whether the exogenous factors (X1, X2) collectively positively and significantly influence the endogenous variable (Y). The decision criteria are as follows:

"The alternative hypothesis (Ha) is accepted if the calculated F-value > the tabled F-value at a significance level of a = 0.05".

The tabled F-value can be determined at a significance level of a = 0.05 with degrees of freedom of the numerator n-k = 67-2 = 65 = 3.13. In the table presented, the calculated F-value is 1.668, smaller than the tabled F-value of 5.559. Therefore, Ha can be accepted. Thus, it can be concluded that all independent variables (Performance Benefits Policy and Leadership) collectively significantly influence the endogenous variable (Employee Performance) by the exogenous factors.

3.4.3 Coefficient of Determination (R2) Test

The measurement of how much the exogenous factors affect the endogenous factor is determined by the coefficient of determination. The examination of R2 in this research provides insights into the magnitude of the impact of the exogenous factors, Performance Benefits Policy, and Leadership on Employee Performance at RSUD Haji Makassar.

Table 7. Coefficient of Determination Test

Model	Independent Variable	Koefisien Korelasi parsial (r)	Koefisien determinasi parsial
1	Performance Allowences	0,358	35.8%
2	Leadership	0,287	28.7%

Source: Data processing results from SPSS version 25 (2023)

The coefficient of determination (R2) test shows that the Performance Allowance factor yields a value of 0.358, while the Leadership factor has a value of 0.287. These figures indicate that Performance Allowance and Leadership Influence Employee Performance, but most of the variation in Employee Performance is influenced by other factors outside this regression model. The obtained R-square value is relatively low, indicating that the impact or effect of Performance Allowance and Leadership on Employee Performance is relatively weak.

3.5 Discussion

3.5.1 The Influence of Performance Allowance Policy on Employee Performance

Improving employee performance at the Haji Makassar Regional General Hospital can be achieved through a performance allowance policy with a positive and significant impact. This is evident from the analysis results, where the calculated t-value is greater than the tabulated t-value (2.219 > 1.668), and the significance value is less than 0.05 (0.030 < 0.05). This indicates that an increase in performance allowance positively affects employee performance.

Performance allowance has a significant impact on employee performance in a hospital setting when employees receive performance allowances, whether, in the form of financial or non-financial incentives, they tend to show increased motivation and enthusiasm in carrying out their tasks and responsibilities because performance allowances provide recognition and appreciation for their outstanding contributions to improving service quality at the hospital.

One positive effect of performance allowances is increased intrinsic motivation among employees. When employees realize their efforts and dedication are recognized and valued, they feel appreciated as individuals who contribute. This results in personal satisfaction and pride in their work, directly affecting their performance quality. Motivated employees are more enthusiastic, innovative, and dedicated to carrying out their tasks, which in turn, has a positive impact on the service provided to patients.

This statement aligns with the theory proposed by Marjoen (2013:3), which states that a performance allowance is a form of additional income given to employees as an appreciation for their performance. The purpose of providing performance allowances is to enhance employee motivation in carrying out their tasks. Furthermore, organizations have a need for quality human resources to achieve their goals, with competent, skilled, and capable employees who can achieve good work performance. Strong motivation is required to achieve this work performance, and it can be enhanced by meeting employees' desires, including providing performance allowances.

Additionally, performance allowances also play a role in increasing employee job satisfaction. Recognizing their job performance makes employees feel valued and respected by the organization. This creates a solid emotional bond between employees and the hospital. Employees who feel valued tend to have higher job satisfaction, which can increase their loyalty to the hospital and reduce employee turnover. This is consistent with Sinollah & Hermawanto (2020), who state that providing allowances to employees is expected to create job satisfaction that positively affects employee performance. Employees who receive objective performance evaluations will feel valued for their work achievements, motivating them to improve their performance and achieve personal satisfaction. Through the achievement of job satisfaction, it is expected that employee performance can improve.

Furthermore, performance allowances can also influence employee productivity. Employees who feel valued and motivated tend to work more efficiently and effectively. They can focus more on achieving targets and seek innovative ways to improve the quality of their services. This increased productivity directly impacts the hospital's operational efficiency, reducing patient waiting times, improving patient satisfaction, and ultimately enhancing the hospital's reputation in the community.

Additionally, performance allowances can also affect employee retention. When employees feel valued and have high job satisfaction, they are more likely to stay in the hospital than seek employment elsewhere. This helps retain experienced and skilled employees with specialized knowledge and skills in providing healthcare services. Thus, the hospital can avoid the costs of employee replacement and retraining while maintaining continuity in patient care. Performance allowances play a significant role in improving employee performance. By creating adequate allowances that meet employees' needs, satisfaction can be provided, and their motivation to work can be enhanced. Additionally, a comfortable work environment, good relationships with colleagues, and adequate work facilities also increase employees' enthusiasm for work (Hanifah, 2017). Therefore, the better the performance of an employee, the larger the performance allowance they will receive.

3.5.2 The Influence of Leadership on Employee Performance

There is a positive and significant effect of the exogenous leadership factor on employee performance at the Haji Makassar Regional General Hospital. In this context, an increase in leadership contributes to improving employee performance. The analysis results show a calculated t-value that exceeds the tabulated t-value (1.712 > 1.668) and a significance value lower than 0.05 (0.000 < 0.05), confirming this finding.

The influence of leadership on employee performance has significant and wide-ranging implications in an organizational context. Effective leadership is critical to creating an inspiring work environment, incentivizing employees, and directing them toward achieving organizational goals. A leader who can articulate a clear vision, provide proper guidance, and communicate effectively can inspire employees to achieve optimal results.

One of the main influences of leadership on employee performance is manifested through motivation. A leader who can understand the needs and expectations of employees can provide relevant encouragement and incentives. Through recognition, appropriate assignments, and increased autonomy, a leader can strengthen employees' intrinsic motivation, which is a motivation that comes from within the individual. This motivation will drive employees to work with high enthusiasm, innovation, and dedication, which ultimately positively impacts their performance.

In line with this view, Matutu (2020) states that leadership significantly contributes to maximizing employee performance. Effective leadership should always be maintained and even enhanced. Disciplined employees tend to follow procedures promptly and have high responsibility.

Similarly, effective leadership contributes to employee commitment to the organization. A fair, trustworthy, and empathetic leader will foster a strong emotional bond between employees and the organization. Employees who feel valued, heard, and empowered tend to commit firmly to the organization's vision and values. This will motivate them to contribute to the maximum and maintain the organization's reputation.

The effectiveness of leadership also plays a role in improving employee productivity. A leader who can recognize and optimize individual potentials within a team will help improve work efficiency and optimize the outcomes produced. Through appropriate task delegation, constructive feedback, and relevant training and development, a leader can enhance employees' skills and knowledge, improving their productivity.

Furthermore, effective leadership also has an impact on employee job satisfaction. A leader who can create a positive work environment, appreciate employee input and attend to their needs and aspirations will enhance overall job satisfaction. Employees who feel valued, supported, and allowed to contribute tend to be more satisfied with their work. This creates a harmonious work climate, reduces stress levels, and increases employee retention.

The influence of effective leadership on employee performance is highly significant. Good leadership can shape a positive work culture, maximize individual potential, and achieve organizational goals through motivation, commitment, productivity, and job satisfaction. Therefore, organizations need to pay serious attention to the development of effective leadership and recognize the crucial role of leaders in achieving optimal employee performance.

In line with this, Khoiri and Oktavia (2019:81) state that for an organization to achieve its goals, it must have quality human resources capable of managing good management so that employee performance can align with the organization's goals. Effective leadership is needed within a leadership system that substantially improves the quality of human resources or employees to ensure that management is aligned with the organization's goals.

4. CONCLUSION

Based on the analysis and discussion above, the following conclusions can be drawn:

1) The effect produce by the Performance Allowance Policy factor is positive and significant towards employee performance at Haji Makassar Regional General Hospital.

The regression analysis results show that the performance allowance policy variable (X1) has a positive coefficient of 0.313, indicating that the performance allowance policy has a positive impact on employee performance.

2) Leadership also plays a positive and significant role in employee performance at Haji Makassar Regional General Hospital. The regression test results show that the exogenous factor of leadership (X2) has a positive coefficient of 0.297, illustrating that leadership positively affects employee performance.
3) The most dominant factor affecting employee performance at Haji Makassar Regional General Hospital is the Performance Allowance. This can be seen from the higher calculated t-value for the Performance Allowance variable compared to the Leadership Policy variable.

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